

July 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, Brusselback, Allen, Beemer, Sawyer, Bertuleit, and McConnell were present. Roumagoux was excused.

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

PLEDGE OF ALLEGIANCE

Council and audience participated in the Pledge of Allegiance.

ADDITIONS/DELETIONS AND APPROVAL OF AGENDA

Council agreed to the following agenda amendments: add Electric Car Raffle as item C. under Proclamations and Recognitions; add SeaPort Airlines and Air Service as item B. under Discussion Items and Presentations; amend the title of item D. under Action Items to read, Resolution to Formalize a Tourism Facilities Grant Review Task Force; add Award of Tourism Marketing Grant to the City Center Newport Association for Use in Marketing the 75th Anniversary Celebration of the Yaquina Bay Bridge as item H. under Action Items; and add Resolution No. 3554 - Creation of a Recreation Facilities Management Review Task Force as item I. under Action Items.

PUBLIC COMMENT

Patricia Patrick-Joling, Dolphin Real Estate, LLC, asked whether the city attorney had reviewed the draft revisions to the business license and transient room tax ordinances. It was noted that the matter would be discussed at the work session of September 6, 2011. She asked whether the Task Force would have the opportunity to review the city attorney's recommendations prior to a public hearing. Marshall noted that the goal was to have the revised ordinances in place prior to the beginning of the current fiscal year, and since that did not occur, the city is operating under the existing ordinance.

Matt Hawkyard extended an invitation to a film entitled, "Bag It - Is Your Life Too Plastic." The film will be shown on July 27, 2011, at the Hatfield Marine Science Center at 6:00 P.M., and is free to the public.

PROCLAMATIONS AND RECOGNITIONS

Proclamation - Geography Awareness Week. McConnell proclaimed the week of August 1 - 7, 2011 as Geography Awareness Week in the City of Newport.

Proclamation - National Night Out - August 2, 2011. McConnell proclaimed the night of August 2, 2011, as National Night Out in the City of Newport. Miranda spoke about National Night Out.

Swearing in of Lieutenant Malloy and Sergeant Real. Miranda reported on the promotions of Malloy and Real. Hawker administered the oath of office to Lieutenant Jason Malloy and Sergeant Ken Real.

Electric Car Raffle. Mark Saelens, director of Lincoln County Solid Waste, reported that the one-quarter scale solar powered car had been on display at the Lincoln County Fair. He discussed electric car charging stations. He asked McConnell to draw the winner from among 125 entrants for the electric car. McConnell drew his own name. The subsequent drawing produced Sherrie Marler as winner of the electric car.

CONSENT CALENDAR

The consent calendar consisted of the following items:

- A. Approval of minutes from the City Council executive session, work session, and regular meeting of July 5, 2011, and the special meeting of June 30, 2011;
- B. Report of accounts paid for June 2011;
- C. Police and Fire Department monthly reports for June 2011.

MOTION was made by Allen, seconded by Beemer, to approve the consent calendar as amended by changes to the minutes as noted by Allen and Brusselback. A discussion ensued regarding several disbursements including Barrett Business Services (what positions are being funded through this company), Big Bend Community College, Eastern Oregon University, Pumpkin Ride Productions, and Lincoln County Public Works. It was noted that the expenditure to Eastern Oregon University was a tourism promotion grant for the Northwest Poets Concord, and that the expenditure to Pumpkin Ride Productions was for the recent Celtic Festival. McConnell recognized the Police Department volunteers for working 555 hours last month, and the Volunteer Fire Department for 368 volunteer hours during the previous month. The motion carried unanimously in a voice vote.

OFFICER'S REPORTS

Mayor's Report. McConnell reported that he had received correspondence indicating that the city had been recertified as a Coast Guard City USA. He asked that a proclamation be prepared for the first meeting in August for Coast Guard Month. Voetberg recognized Robert Smith for his assistance in gaining recertification.

McConnell reported that he had received two letters regarding parking concerns along the Bayfront. He noted that the Bayfront parking group may be able to suggest a resolution.

McConnell reported that the NOAA open house will be held on August 20 and 21. The city's ribbon cutting for the street will be held at the Rogue Brewery at 9:00 A.M., on August 20.

McConnell reported that the 75th Anniversary celebration of the Yaquina Bay Bridge will conclude with a community celebration on October 2, and that planning efforts are ongoing.

McConnell reported that he had attended a portion of the Amazing Race, and that the event was quite successful. Michelle Harris updated Council on the event.

Allen asked that the adoption of a revised Resolution No. 3548 be added as Action Item J.

McConnell reported on cooperative efforts with the Chamber of Commerce to develop an economic development work group.

City Manager's Report. Voetberg reported that the current suggestion/concern/complaint update is included in the packet. He congratulated the Public Works Department staff for its successful response to complaints.

Voetberg reported that the packet contains an update on key city projects. A discussion ensued regarding change orders, the Naterlin Drive sidewalk, and the possible connecting sidewalk through the state park.

Allen asked about the status of the Tillamook Air Museum. Voetberg reported that the museum officials are looking at both Astoria and Newport, and that a trip is planned to Newport this week to look at other partnerships and community fit.

DISCUSSION ITEMS AND PRESENTATIONS

Summary of 2011 Celtic Festival. Protiva reported that the issue before Council is a review of the 2011 Newport Celtic Festival and a discussion on a possible future direction for the festival. He noted that the event was a success, and that the packet contains a summary report with his observations. He noted that the financials included in the packet are preliminary as there are other outstanding bills, although revenues exceeded expenses. He noted that there were substantial city resources involved with this event, and recognized the volunteers noting that there is no way the city staff could have produced the event alone. He reported that there is a desire by some volunteers to acquire control of the event, and recommended that the event be turned over to the interested volunteer group. McConnell asked whether there was any attempt to quantify tourists and length of stay in the community. Protiva noted that the city has significant assets that were purchased for the event including t-shirts, glasses, and other souvenirs, and that a method to transfer assets would need to be determined.

Belinda Goody, Pete McKeeman, and Susan Spencer, recommended that Council approve the release of all interest in the event to the volunteer stakeholders. They reported that they had formed a nonprofit corporation that would be responsible for future events. They noted that on final accounting and mutual agreement, they are prepared to receive the net proceeds to use as seed money for future events. Goody reported that they had received 83 responses to a questionnaire, and those responses

were on their webpage. Allen noted that staff time, equipment, and fee waivers were not included, and that based on the approximation of in-kind costs, there will not be additional revenues to be used as seed money. Goody stated that they are prepared to wait for final numbers. Allen noted that he would like to see the city factor in any in-kind expenses when arriving at a final number. Goody stated that they are interested in still having the city involved, including a seat on the board, and an invitation to Liam Hughes to chair the Highland Games Committee. Brusselback asked why this group believes it is better suited to run the event than the city. Goody stated that they work well together and have a passion for the event. McConnell invited the group to apply for a marketing grant this season. MOTION was made by Brusselback, seconded by Beemer, that the Newport Celtic Festival and Highland Games be transferred in its entirety to volunteer stakeholders group. Protiva suggested holding off on transferring the physical assets until the group obtains its nonprofit status. McKeeman stated that the group incorporated as a nonprofit in Oregon last Friday. Voetberg suggested that the Council approve turning over the management of the Newport Celtic Festival. MOTION was made by Allen, seconded by Beemer, to release the management of the Newport Celtic Festival and Highland Games to the stakeholder group now known as the Celtic Heritage Alliance, Inc., and to resolve any physical assets, or other fiscal issues, at a later date. The motion carried unanimously in a voice vote.

ACTION ITEMS

Ordinance No. 2017 - Geological Hazards. Tokos reported that the issue before Council is consideration of whether it is in the public interest to amend the Natural Features Chapter of the Newport Comprehensive Plan, the Geologic Hazards Section of the Newport Zoning Ordinance, and land division criteria related to geologic hazards in Title XIII of the Municipal Code. He noted that the City Council had held a public hearing on June 14, 2011 regarding the question of the proposed amendments and directed staff to prepare an ordinance for adoption as recommended by the Planning Commission with the following changes:

1. Revise the Geologic Hazard Areas Section of the Zoning Ordinance to require a geologic permit only if development activities occur within a hazard area as defined in the draft amendments, as opposed to a permit being required if a portion of the parcel or lot includes a hazard area. Hazard areas include active and high risk dune or bluff backed erosion areas mapped along the coast line and landslide hazards mapped within the city generally.
2. Amend Goal 1, Policy 3, of the Natural Features Chapter of the Newport Comprehensive Plan to reflect the Council's desire that procedures be put in place to address circumstances where a potential hazard may exist in areas that are not specifically identified on adopted maps. Such procedures are included in the amendments to the Geologic Hazard Areas Section of the Zoning Ordinance. This revision also clarifies that Policy 3 is intended to provide direction for how implementing land use regulations are to be crafted and not as a land use criterion until itself. This addresses a shortcoming in the existing Comprehensive Plan as identified in past litigation.

Tokos responded to Council questions regarding the DOGAMI maps and disclosure of the underlying source material on the website.

McConnell called for public comment.

Janis Neigebauer read an e-mail from Mary Stupp-Greer regarding the maps and financial impact. She suggested that on major revisions, Council establish a more holistic and inclusive process.

Dennis Bartoldus noted that 2-4-7.025 Exemptions should read 2-4-7.020. He added that he has spoken with Chris Minor and that both agree that the issues have been adequately addressed, and that the result is a product that everyone can live with. He suggested revisiting the matter in a year or 18 months to see if improvements are needed.

McConnell closed the public hearing for Council deliberation at 7:42 P.M.

Council thanked the community, staff, and new city attorney for their input and work on this ordinance.

MOTION was made by Brusselback, seconded by Beemer, to read Ordinance No. 2017, amending the Newport Comprehensive Plan, Zoning Ordinance, and Municipal Code relating to geologic hazards, by title only, and place for final passage. The motion carried unanimously in a voice vote. Voetberg read the title of Ordinance No. 2017. Voting aye on the adoption of Ordinance No. 2017 were McConnell, Brusselback, Beemer, Bertuleit, Allen, and Sawyer.

Ordinance No. 2018 - Vacating a portion of SE 1st Street from SE Avery Street to South Coast Highway. McConnell opened the public hearing at 7:47 P.M. Tokos reported that the issue before Council is consideration of whether it is in the public interest to vacate a portion of SE 1st Street from SE Avery Street to South Coast Highway. He noted that on June 20, 2011, the City Council accepted the Planning Commission's recommendation that the street should be vacated with conditions and directed staff to prepare an implementing ordinance for Council consideration. He added that a second hearing is also being held to ensure that statutory public notice requirements have been met. Tokos noted that the applicant submitted a petition to vacate SE 1st Street from SE Avery Street to South Coast Highway to allow the applicant to design the site for a 14,490 square foot Walgreens building. He added that state law allows a city to vacate rights-of-way if it determines that consent of the owners within the required notice area has been obtained; notice has been given; and it is in the public interest to vacate the rights-of-way. He stated that the Planning Commission recommended that Council approve the street vacation subject to the following conditions:

1. That a public access easement be prepared, in a format acceptable to the city attorney, covering the internal drive isle between SE Avery Street and SE Cape Street. The easement document should include language prohibiting vehicles from parking in the easement area; and
2. The applicant and/or property owner, at their expense, be required to relocate city utilities within the vacated portion of SE 1st Street in a manner acceptable to the city engineer; and
3. The applicants prepare a traffic study to confirm that ingress/egress to the site from Highway 101 and Highway 20 will occur in a safe and efficient manner, considering growth in background traffic. The study shall also consider the effect of the street vacation on the city's future plans to construct SE 1st Street between SE Douglas

Street and SE Fogarty Street to create an alternative means for local traffic to reach Highway 101 without utilizing Highway 20.

Tokos reported that the packet contains a letter from ODOT, but noted that, as proposed, the development will improve the current condition.

It was noted that Carla Perry had submitted a letter to Council. It was stated that public need is not the standard before Council; and that if Council wishes to discuss workforce housing and design, this information needs to be conveyed to developers up front. It was reported that legal counsel agreed that the development could be tied to the street vacation and that is about as far as it can go. Tokos stated that he will look at parking and landscaping because the city has codes. He added that the design issue is dependent on the property owner.

McConnell asked for public comment.

Michelle Harris, board member of the City Center Newport Association, recommended that Walgreen's use an art deco design to the extent possible.

McConnell read Carla Perry's letter.

Mark McEchnie appeared on behalf of the developer. He noted that Tokos had done a great job in presenting the project. He added that while Newport does not have a design overlay, Walgreen's expects a decent looking building and will investigate alternatives as corporately allowed. A discussion ensued regarding the project timeline. McEchnie reported that the developer is hoping to submit a permit application in September, and that construction typically lasts six months, and an additional two months will be used to stock the store and train employees. He reported that there may be an opening in spring or late summer of 2012.

McConnell closed the public hearing for Council deliberation at 8:02 P.M.

Allen asked whether the vacation ordinance needed to be notarized prior to recording.

MOTION was made by Beemer, seconded by Sawyer, to read Ordinance No. 2018, vacating a portion of SE 1st Street from SE Avery Street to South Coast Highway, by title only and place for final passage. The motion carried unanimously in a voice vote. Voetberg read the title of Ordinance No. 2018. Voting aye on the adoption of Ordinance No. 2018 were Sawyer, Brusselback, McConnell, Bertuleit, Beemer, and Allen.

Adoption of revised Council Rules. Hawker reported that the issue before Council is consideration of adoption of revised Council Rules. She noted that Council opted to undertake a revision to the Council Rules, and met several times to review, discuss, and revise the document. She added that during the last review, Council asked that the city's legal counsel look at the revisions and particularly at the section on Council Liaison's. She noted that Christy Monson, from LGLG, had reviewed the latest draft of the Council Rules and found them to be legally sufficient. She specifically addressed the section on Council Liaisons, noting that she "believes that it is often a Council liaison's duty to lobby the Board on which he/she is a liaison - in favor of city positions. For example, a Council Liaison to the County Board may need to persuade or educate the County elected officials regarding a city position. To refrain from lobbying in that circumstance would be to the city's detriment." She continued, "if the current position of the Council is that at no time should a liaison lobby a board, commission, committee, or task force on any matter, then this language is okay and accomplishes your goals. If that is not the position of the Council, then she suggests the following language, which mandates that

a liaison must refrain from lobbying or expressing personal views or any views that are not held by a majority of Council.” Hawker noted that, based on Monson’s comments, Section A/Liaisons has been changed to read: A. Not attempt to lobby or influence the board, commission, committee, or task force on any item under its consideration, unless the city has taken an official position regarding that item. It was noted that the last item in the index should be page 18, rather than 28. MOTION was made by Allen, seconded by Beemer, to approve the revised Council Rules to become effective on July 18, 2011. The motion carried unanimously in a voice vote.

Resolution No. 3553 - creating a Tourism Facilities Grant Review Task Force.

McConnell reported that the monies initially approved for an event center and previously unappropriated had been moved to contingency status. It was noted that the Council has discussed the idea of granting the funds to community non-profit agencies for tourism facilities, and that several community organizations have approached Council requesting use of these funds. At the Council work session of July 5, 2011, Council directed staff to draft a resolution creating a seven-member task force to develop criteria for awarding monies; to review applications for funding; and to make recommendations to the City Council on both issues. It was noted that Council suggested that two of the seven members could be non-residents of the city, but individuals with an interest in economic development. It was noted that Task Force members will be solicited between now and August 1. MOTION was made by Allen, seconded by Beemer, to adopt Resolution No. 3553, creating a Tourism Facilities Grant Review Task Force. The motion carried unanimously in a voice vote. Staff was directed to issue a press release seeking Task Force members.

Resolution No. 3552 - acceptance of annual DLCD Coastal Management Grant (CZM-12-025). Tokos reported that the issue before Council is acceptance of a \$10,000 annual grant from the Department of Land Conservation and Development for land use planning and related work within Oregon’s federally approved Coastal Zone along with a resolution requesting the funds. MOTION was made by Bertuleit, seconded by Brusselback, to adopt Resolution No. 3552, a resolution accepting a \$10,000 annual DLCD coastal planning grant. The motion carried unanimously in a voice vote.

Notice of intent to award the reroofing project for the Performing Arts Center. Gross reported that the issue before Council is the issuance of a notice of intent to award the reroofing project for the Performing Arts Center. He noted that there were four bids received for this project, and staff is recommending the issuance of a notice of intent to award the Performing Arts Center Reroofing project to Weatherguard, Inc., in the amount of \$144,378.60, contingent upon no protest; authorize award; and direct the city manager to execute the contract on behalf of the City of Newport. MOTION was made by Beemer, seconded by Sawyer, that the City of Newport Public Works Department issue a Notice of Intent to Award the Performing Arts Center Reroofing Project to Weatherguard, Inc., in the amount of \$144,378.60, and contingent upon no protest, authorize award, and direct the city manager to execute the contract on behalf of the City of Newport. The motion carried unanimously in a voice vote.

Award of contract for police vehicle maintenance. Marshall stated that the issue before Council is consideration of approval of a contract with Ocean Tire and Auto Service to provide police vehicle maintenance for the city. He noted that the city issued an RFP and that two proposals were received and evaluated. MOTION was made by Beemer, seconded by Allen, to approve a contract with Ocean Tire and Auto Service to provide police vehicle maintenance services to the city. The motion carried unanimously in a voice vote.

Consideration of awarding a tourism marketing grant for the Yaquina Bay Bridge 75th Anniversary Celebration. It was reported that the issue before Council is consideration of awarding a tourism marketing grant, in the amount of \$3,250, for the Yaquina Bay Bridge 75th Anniversary celebration. It was noted that the Destination Newport Committee had recommended approval of this amount. MOTION was made by Brusselback, seconded by Bertuleit, to approve a \$3,250 tourism marketing grant for the City Center Newport Association, Inc., to be used for radio and print advertising, outside of Newport, in conjunction with the 75th anniversary celebration of the Yaquina Bay Bridge. Further, advertising and marketing will be coordinated with other agencies involved in this celebration. The motion carried unanimously in a voice vote.

Consideration of Adoption of Resolution No. 3554 establishing a Recreation Facilities Management Review Task Force. It was reported that the issue before Council is consideration of Resolution No. 3554 establishing a Recreation Facilities Management Task Force. MOTION was made by Beemer, seconded by Bertuleit, to adopt Resolution No. 3554 establishing a Recreation Facilities Management Review Task Force that will be responsible for studying the feasibility of reducing costs for recreational services including, but not limited to, analyzing the operational models of similar recreational facilities. The motion carried unanimously in a voice vote. Staff was asked to solicit members for the Task Force with applications due by the end of the month.

Consideration of adoption of a revised Resolution No. 3548 imposing and categorizing ad valorem taxes for the City of Newport for the 2011-2012 fiscal year budget. Marshall reviewed the proposed revisions. MOTION was made by Allen, seconded by Brusselback, to adopt the revised Resolution No. 3548 imposing and categorizing ad valorem taxes for the City of Newport for the 2011-2012 fiscal year budget. The motion carried unanimously in a voice vote.

Formation of a committee to work with non-profit funding requests. A discussion ensued regarding initiating the process of forming a committee to work with nonprofit funding requests MOTION by Bertuleit, seconded by Sawyer, to direct staff to draft a resolution, for consideration at the next Council meeting, that would create a committee to review applications for nonprofit funding and make recommendations to the City Council. The motion carried unanimously in a voice vote.

Continued air service and discontinuation of SeaPort Airlines. McConnell reported that SeaPort discontinued service on Sunday. He noted that the city's legal counsel had reviewed an earlier letter sent by SeaPort and determined that it had not followed the

30-day cancellation requirement to the letter. McConnell reported that the second issue is that some community members want the city to pursue future air service. After a discussion regarding the contract, Council concurred not to pursue compliance with the notice requirement.

McConnell reported that Cossey has looked at other air service possibilities. He added that he has talked to Mead and Hunt, and this firm submitted a proposal that outlines services and costs. A discussion ensued regarding whether any of the services could be performed by staff, and Cossey reported that airlines are guarded with relationships with consultants, and the results of any discussion would be enhanced by utilizing the services of a consultant. Cossey reviewed the costs of the various components of the Mead and Hunt proposal. Allen suggested that Council consider forming a group to discuss ideas regarding what kind of air service is needed in Newport. Beemer stated that he supports Allen's idea. McConnell noted that there is some passenger load data from the unsubsidized part of SeaPort's service to the city. It was asked whether there was marketing money left. Cossey stated that there was less marketing money than had been reserved, and nothing remains. Allen stated that it is his preference to get a group together and compile existing information and then look at retaining a consultant when the city has an idea on community needs. A discussion ensued regarding the possibility of ConnectOregon IV monies to support future service. Cossey noted that the application would have to be very competitive. Allen stated that he would give Cossey the names of the people who contacted him. McConnell stated that the city needs signage for the airport. Cossey agreed to return to Council with information by August 1.

COUNCIL REPORTS AND COMMENTS

Bertuleit stated that he attended a sustainability presentation and he will contact the presenters regarding making the same presentation in Newport.

Bertuleit suggesting having trash bags available where the dog litter bags are located for use by folks who want to pick up trash while walking.

Allen reported that he and Tokos had attended a YBOOI strategy retreat. He noted that he will send a list of attendees and website links to the Council.

Brusselback reported on a recent meeting of the Bayfront parking district at which the following items were discussed: a boundary expansion; an agreement to assess the fishing community; and equitable ways to assess all properties. He added that he expects a draft ordinance in the near future. A discussion ensued regarding participation by the small merchants. Tokos noted that he would like consensus on the concept, and once this is reached, the rest is close. He added that the objective is to develop a framework, and the project discussion will follow, with the advisory committee developing specific projects.

Brusselback reported on a recent meeting of the Bicycle/Pedestrian Committee at which the sidewalk at the north end of the bridge was discussed, along with a bike route change to avoid the dangerous curves on Oceanview Drive.

Allen reported that the OPAC territorial sea plan working group will be meeting on July 26, and that time has been reserved for a discussion on issues affecting local governments.

ADJOURNMENT

Having no further business, the meeting adjourned at 9:10 P.M.

Margaret M. Hawker, City Recorder

Mark McConnell, Mayor