

June 18, 2012  
6:15 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, McConnell, Bertuleit, Sawyer, and Roumagoux were present. Excused was Brusselback.

Staff present was City Manager Voetberg, Executive Assistant Clark, Community Development Director Tokos, Fire Chief Paige, Assistant Fire Chief Murphy, Public Works Director Gross, Finance Director Marshall, Library Director Smith, Parks and Recreation Director Protiva, and Police Lieutenant Malloy.

### PLEDGE OF ALLEGIANCE

The City Council and audience recited the Pledge of Allegiance.

### ADDITIONS/DELETIONS/CHANGES TO THE AGENDA

It was agreed to add approval of a grant application as action item G.

### 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 June 4, 2012.
- B. Report of Accounts Paid for May 2012.

MOTION was made by Bertuleit, seconded by Roumagoux, to approve the consent calendar with the amendments to the minutes as suggested by Allen. The motion carried unanimously in a voice vote.

### OFFICER'S REPORTS

**Mayor's Report.** McConnell and Roumagoux reported that they will not be able to attend the executive session tomorrow. McConnell stated that he will not be available at the first meeting in July. MOTION made by Bertuleit, seconded by Beemer, to excuse McConnell from the June 19 executive session and the July 2 meeting. The motion carried unanimously in a voice vote. MOTION made by Bertuleit, seconded by Beemer, to excuse Roumagoux from the executive session June 19. The motion carried unanimously in a voice vote.

McConnell mentioned the Japanese dock that washed up on the beach and noted that a small delegation of Japanese citizens visited the dock with him today. A discussion ensued regarding future plans for the dock.

**City Manager's Report.** Voetberg reported that the packet contains the monthly department reports. Allen asked Tokos about the territorial sea plan agenda item for the joint Planning Commission meeting, with Lincoln County, on June 25, 2012. Tokos briefed Council on the status of the territorial sea plan.

Voetberg reported that the ESCI study has been completed, and that a report will be presented on June 26 at the PAC.

Voetberg reminded the Council that the July 4 fireworks display will be shot from a barge near the Embarcadero.

Voetberg noted that the packet contains the Police Department citizen survey results.

Voetberg ask Council to review the LOC legislative update and return comments by the July 2 City Council meeting.

Allen asked for the timeline for the Airport Director recruitment. Voetberg stated that he is going to suspend the recruitment due to inquires regarding operating the FBO, until those opportunities have been further investigated.

## ACTION ITEMS

**Resolution No. 3602- Authorizing an Interfund Loan.** Marshall reported that the issue before Council is consideration of Resolution No. 3602 authorizing an interfund loan for \$70,000 from the contingency account of the wastewater fund to the water fund to cover the unanticipated costs of various expenses which, without this loan, would cause the water fund cost centers to exceed their appropriations. McConnell asked how much contingency was available in the wastewater fund. Marshall noted that the wastewater contingency fund has been untouched this year. Marshall also noted that the reason for the water fund exceeding is due, in part, to switching to the new financial system. Gross noted that there were a couple costly repairs that were made as well. MOTION was made by Beemer, seconded by Roumagoux, to adopt Resolution No. 3602, a resolution loaning money from the wastewater fund to the water fund. The motion carried unanimously in a voice vote.

**Resolution No. 3600- GASB 54 and Reporting Fund Balances.** Marshall reported that this is strictly a housekeeping item. MOTION was made by Beemer, seconded by Bertuleit, to adopt Resolution No. 3600, providing for the designation of ending fund balances by categories in compliance with GASB 54. The motion carried unanimously in a voice vote.

**Resolution No. 3601- Transferring of Appropriations for the Fiscal Year 2012 Budget.** Marshall reported that the city cannot exceed appropriations according to state law, and the intent of this resolution is to transfer appropriations so that the city will not exceed the forecasted appropriations. MOTION was made by Allen, seconded by Beemer, to adopt Resolution No. 3601, a resolution amending the city's Fiscal Year 2011/2012 supplemental budget and making appropriations. The motion carried unanimously in a voice vote.

At 6:55 P.M. the Mayor called a short break. The meeting resumed at 7:00 P.M.

## PUBLIC HEARINGS

**Public Hearing on Zoning Map and Text Amendment Regarding Water-Related and Water-Dependent Property in South Beach -Applicant- Port of Newport.** Tokos stated that the property at issue is located in South Beach and involves the Port's dredge disposal site, a portion of the marina, and property inland south of the new NOAA facility, including the Yaquina Bay Fruit Processor (YBFP) operation. Approximately 6.10 acres of land encompassing the dredge site and elements of the marina west of the site will change from W-2/"Water Related" to W-1/ "Water Dependent." Roughly 5.0 acres of land between the NOAA facility and marina parking lot will change from W-1 to W-2. A text amendment is also proposed adding "manufacturing in conjunction with a C-2 use" as a conditional use option in the W-2 district. The proposal configures the zoning of the Port's property in a manner that is more consistent with the purpose of the W-1 and W-2 districts in that waterfront property is being placed into the restrictive W-1 zone which is tailored to protect those lands for uses that are truly dependent upon access to the bay. Lands that are inland, which do not front along the bay are being designated W-2. The text amendment will afford YBFP an opportunity to resolve an existing zoning violation by allowing them to submit for conditional use approval. This will require that they add a significant retail component to their operation.

Janet Webster spoke against the recommendation. She stated that she believes it is an accommodation for the business rather than actual planning and the best use for the zoning.

A discussion ensued regarding the zoning change. Don Mann, General Manager of the Port of Newport, indicated that the Port wants to proceed now because the change in zoning classifications is appropriate irrespective of how their strategic planning process plays out, and that this action does not authorize YBFP to stay in its present location, rather it simply provides them with a path for correcting the violation if they choose to pursue it. McConnell noted that it may be best to wait until the Port's comprehensive plan is in place before moving forward. Mann noted that it is fair to wait until a conditional use permit is filed by the current business located at the property.

MOTION was made by Allen, seconded by Beemer, to direct staff, in consultation with the City Attorney, to prepare an ordinance amending the text and map of the Newport Zoning Ordinance as presented, and that the ordinance be scheduled for Council consideration at a future public meeting. The motion carried unanimously in a voice vote.

**Public Hearing and Consideration of Resolution No. 3598 Regarding the Adoption of the City of Newport Budget for Fiscal Year 2012-2013.** Marshall presented amendments to the approved budget. McConnell asked whether the reserves were still two percent. Marshall stated that the reserves will remain at two percent. McConnell asked about the status of the employee wages. Voetberg noted that the budget makes assumptions that include a step increase, and a two percent COLA for the non-represented employees, and that the union employees are still in negotiations. Allen stated that he does not agree with Amendment #5 regarding water and wastewater user fee increases and that he will not be supporting the budget because of it. He noted that this was consistent with his previous vote in opposition to these rate increases at the June 4, 2012 Council meeting.

McConnell called for public comment. There was none.

MOTION was made by Roumagoux, seconded by Beemer, to adopt Resolution No. 3598, with Amendments #1-10 as listed in the agenda item summary dated June 18, 2012. The motion carried in a voice vote with Allen voting no.

A discussion ensued regarding the City Manager's gas allowance. MOTION was made by Beemer, seconded Roumagoux, to increase the City Manager's gas allowance to \$150 per month. The motion carried unanimously in a voice vote.

**Public Hearing and Consideration of Resolution No. 3599 Regarding the Imposition and Categorization of Ad Valorem Taxes for the Fiscal Year 2012-2013 Budget.**

Marshall reported that the issue before Council is that the city is required by statute to adopt this resolution.

McConnell called for public comment. There was no public comment.

MOTION was made by Beemer, seconded by Bertuleit, to adopt Resolution No. 3599, imposing and categorizing ad valorem taxes for the Fiscal Year 2012/2013 Budget. The motion carried unanimously in a voice vote.

**Public Hearing and Consideration of Resolution No. 3591 Regarding State Shared Revenue.** Marshall stated that the issue before Council is regarding state shared revenues and that the council is required by state law to hold a public hearing. No public comment. MOTION was made by Bertuleit, seconded by Beemer, to adopt Resolution No. 3591, a resolution declaring the city's election to receive State Shared Revenues. The motion carried unanimously in a voice vote.

## **ACTION ITEMS**

**Resolution No. 3596- Establishing A Vehicle Immobilization Fee.** Voetberg noted that the municipal code allows for an immobilization fee but that an amount has never been set. Allen noted that the \$100 is the minimum fee as currently laid out in the municipal code to cover administrative costs. MOTION was made by Sawyer, seconded by Roumagoux, to adopt Resolution No. 3596 establishing a vehicle immobilization fee of \$100.00. The motion carried unanimously in a voice vote.

**Consideration of Assistance to Firefighters (AFG) Grant.** Paige reported that the issue before Council is consideration of a grant to replace safety equipment, specifically SCBA equipment. MOTION was made by Allen, seconded by Beemer, to authorize the Fire Chief to prepare and submit the AFG Grant application for the purpose of replacing the Fire Department's SCBA equipment, and that the grant application is prepared as a regional proposal if other local fire departments choose to participate. The motion carried unanimously in a voice vote.

**Consideration of Award of for Tourism Marketing Grant for the Community Services Consortium Barrel to Keg Relay Race.** Voetberg reported that the issue before Council is the request from the Community Services Consortium for tourism marketing grant funding, in the amount of \$3,000 for assistance with marketing the Barrel to Keg Relay Race to be held on July 14, 2012. Sawyer noted that event was successful last year and that the original request was for \$5,000, but the DNC felt that \$3,000 would more

specifically fit the marketing needs. MOTION was made by Bertuleit, seconded by Sawyer, to approve the tourism marketing grant fund application, submitted by the Community Services Consortium for assistance with marketing and advertising for the Barrel to Keg Relay Race, in the amount of \$3,000. The motion carried unanimously in a voice vote.

**Resolution No. 3603 - Requesting A Transportation Growth Management Grant for A Newport City Center/ Highway 101 Corridor Refinement Plan.** Tokos reported that the issue before Council is a grant application to map out traffic flow between the bridge and Highway 20. A discussion ensued regarding the area and the possibility of presenting a plan that ODOT can sign off on. Tokos noted that the match would come from the professional services budget line item and will not impact this fiscal year's budget. MOTION was made by Allen, seconded by Roumagoux, to adopt Resolution No. 3603, requesting a Transportation Growth Management Grant for a Newport City Center/Highway 101 Corridor Refinement Plan. The motion carried unanimously in a voice vote.

### **COUNCIL REPORTS AND COMMENTS**

Allen updated the Council on the status of his involvement in OCZMA.

Beemer stated that he had been invited to the North Bend air station, in July, to honor Tom McAdams.

Roumagoux reported that she attended PADDA's annual meeting, and the Newport Senior Center Advisory Committee meeting, where they are working on updating their guidelines.

Sawyer reported that he attended the DNC meeting and briefed Council on the current happenings.

McConnell noted that he would like to get the Non-Profit Funding meetings started soon.

### **ADJOURNMENT**

Having no further business, the meeting adjourned at 8:25 P.M.

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Nicole Clark, Executive Assistant

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Mark McConnell, Mayor