

March 18, 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, Sawyer, Saelens, Busby, and Swanson were present.

Staff present was City Manager Voetberg, City Recorder Hawker, Community Development Director Tokos, Public Works Director Gross, Finance Director Marshall, and Police Chief Miranda.

PLEDGE OF ALLEGIANCE

Council and the audience recited the Pledge of Allegiance.

ADDITIONS/DELETIONS AND APPROVAL OF AGENDA

Roumagoux asked that Action Item G. be moved to Action Item A., and that Action Item D. be moved to Action Item B.

PUBLIC COMMENT

Bob Ward addressed Council regarding the tsunami dock on the Bayfront. He noted that he had distributed copies of a summary regarding what the group planned to do with the dock. He explained the educational component of having a piece of the tsunami dock on the Bayfront. He added that it will cost approximately \$6,000 to \$7,000 to relocate the dock and make it safe, and another \$6,000 to \$7,000 for interpretative signage. He requested assistance in funding the project, and Roumagoux noted that the city is beginning the budget process, and asked whether there is a creative way to leverage other monies.

Oly Olson addressed Council regarding the occupancy load of the OCCC facility to be used for tomorrow's joint forum of the City Council and Port. Roumagoux asked Olson to e-mail the Port with his concern.

Rex Capri addressed Council regarding the increase in utility bills. He asked what precipitated the increases. Roumagoux reported that Gross will discuss this issue later during this meeting.

CONSENT CALENDAR

The consent calendar consisted of the following items:

- A. Approval of City Council minutes from the work session and regular meeting of March 4, 2013;
- B. Report of accounts paid for February 2013.

Busby stated that staff should develop a method of listing the purpose of the accounts paid on the report, and that until that happens, he suggested not approving the accounts payable. He added that he is reticent to approve something when he does not know what it is. Marshall explained the weekly accounts payable process, and noted that some of this information would have to be inserted manually. A discussion ensued regarding whether to list payables over a certain amount, i.e., \$10,000 or \$25,000. Swanson noted that she is comfortable with a threshold of \$25,000. Busby noted that staff should strive for using purchase orders. Busby asked whether this is something Council should be approving at all since these expenditures are already made. Voetberg reported that some of the larger checks are contractual obligations. Allen suggested having a list for transparency and for Council review and acknowledgement. Marshall agreed to provide a recommendation at the next Council meeting on the threshold and potentially how to allow Council review of accounts payable prior to payment. MOTION was made by Beemer, seconded by Swanson, to approve the consent calendar with the changes made to the minutes as noted by Allen, and with an acknowledgement of the bills paid. The motion carried unanimously in a voice vote.

OFFICER'S REPORTS

Mayor's Report. Roumagoux reported that she had spoken at the tsunami dock installation ceremony.

Roumagoux reported that she attended the Coast Guard breakfast on March 13, and participated in a tour of Coast Guard facilities. She noted that the Victory is in dry-dock.

Roumagoux reported that she participated in the Blessing of the Fleet aboard the Eder's newly renovated fishing vessel.

Roumagoux reported that she will have office hours on March 19, 2013, from 3 - 5 P.M.

City Manager's Report. Voetberg reported that he was in Norfolk, Virginia last week visiting his daughter and touring her ship, The Bainbridge.

Voetberg reported that a joint letter from the city and county had been written to Senator Roblan and Representative Gomberg regarding replacement of the bridge.

Voetberg reported that the packet contains a copy of a letter written to Gregory Carpenter regarding the status of nuisance complaints submitted by Carpenter.

Voetberg reported that the packet contains the monthly departmental updates. Sawyer asked whether the ravine near the planned O'Reilly's Auto Parts Store is a portion of the development, and Tokos noted that it is tied into O'Reilly's project. Sawyer asked about the complaint regarding a water bill. He asked whether there is a way for the city to track leaks. Gross responded that currently, there is not a flag in the software to alert to greater water consumption, so the city is unaware of greater usage until the meter is read. He added that proposed software will allow better tracking.

Swanson asked about the bump in the handicapped ramp to City Hall. Gross reported that the concrete had settled and that staff is investigating possible repairs. She noted that there are other places with handicapped ramp issues and that she will talk with Gross about them later.

Allen thanked the department heads for the monthly reports.

Voetberg reported that the packet contains the project update prepared by Ted Jones.

DISCUSSION ITEMS AND PRESENTATIONS

Presentation on the Big Creek Dams Preliminary Geotechnical and Seismic Evaluation. Verena Winter and Keith Ferguson, from HDR, and Keith Mills, dam safety engineer from the Oregon Water Resources Department, were in attendance. Winter made a PowerPoint presentation regarding the geotechnical and seismic evaluation of the two dams; the soil problems with the dams; and the potential for ground failure. She noted that the next step is additional site characterization to improve the understanding of the soil behavior due to seismic loading; defining the dam failure consequences/feasibility study; and developing a dam repair alternative analysis and cost estimate.

Winter noted that with more sampling modifications, the repair may not be that expensive. Busby asked what kind of repair Winter envisioned. Ferguson noted that an analysis such as this may begin with a simple analysis approach with limited data. He noted that it is not uncommon to have two or three phases of an investigation to increase the understanding. He added that the likely recommendation may be a combination of repairs that might involve some remediation of soils and the possible construction of a berm. He stated that a feasibility study will look at alternatives at both sites in a way that the work could be done as reasonably and expeditiously as possible. Busby asked whether there is a way to measure effectiveness in dollars. Ferguson noted that it is very typical, as a part of the feasibility conceptual design phase, to develop alternatives with cost estimates. Gross reported that the initial assessment was a change order to the water treatment facility project. Gross explained that an RFQ will be prepared and a consultant-of-record will be selected that will allow the city to proceed with an analysis of the dam structures. He added that this phase would expand the initial analysis and allow staff to estimate the costs of the options. Gross added that the decision not to do anything is still a decision, but that more information is needed to make any decision. Busby asked about the anticipated costs and timing for phase two, and Gross reported that something could be available next spring if the drilling is done this summer. Gross noted that both dams are classified as high hazard dams, and that the larger consideration is the city's ability to provide drinking water.

Utility Fee Increase Update. Gross made a PowerPoint presentation containing an overview of the discussion from last year. He discussed the five-year rate increase scenario, and recommended that Council continue with the five-year plan. Saelens asked what the average residential water use is, and Gross noted that he would provide that information at the next meeting. Allen asked about having a chart on the water bills to delineate all the fees, and Gross noted that some version will be on the bills soon. Gross stated that he plans to have recommendations at the next meeting, along with an overview of what has occurred this year.

ACTION ITEMS

Consideration of Recommendation of Tourism Facility Grants as Recommended by the Tourism Facilities Grant Review Task Force. Allen noted that Council received a memo provided by the City Attorney, and although it is marked “confidential,” it provides policy guidance. He suggested waiving the confidentiality of the document, referring to it as a public record, and sharing it with interested persons this evening. MOTION was made by Allen, seconded by Beemer, that even though the document from the City Attorney is marked confidential, that it be considered a part of the public record and distributed this evening. The motion carried in a voice vote with Swanson abstaining.

Paul Carlson and Erin Graham, from OMSI, addressed Council. Carlson noted that Allen had provided questions related to the ORS along with an informal Attorney General’s opinion regarding the grant and allocation of grant funds. He noted that he had reviewed the opinion as had OMSI’s attorneys. Carlson noted that because of the definition in the ORS, he believes that the OMSI facility would be found to be eligible. Carlson added that the key element in the ORS is the concept of substantial purpose, and that there are many points of view, but, in general, these would be facilities that attract people from more than 50 miles away and that promote tourism. He stated that OMSI does that. In conclusion, Carlson reiterated that based on a review, he believes that OMSI is eligible for this type of grant.

Carlson indicated that OMSI’s review indicates that there is no tie between payment of the lodging tax and the eligibility for the grant. He spoke to the differences between the Municipal Code and the ORS on transient room tax, noting that OMSI would be exempt from payment of transient room taxes under state law, but that it is unclear whether there would be an exemption in the Municipal Code. He noted that this issue warrants further discussion. Allen stated that Council had been advised by staff that OMSI was not subject to TRT, and that he is trying to get a sense of why the city would not impose a TRT. Allen noted that the City Attorney needs to look at this issue for a future discussion. Carlson noted that OMSI is in competition with other outdoor school businesses, so its pricing must be competitive. He added that there would be ramifications to the OMSI scholarship program if OMSI’s margin is impacted.

Stan Pickens, Bob Ward, Jim Rice, and Chris Burns, were in attendance to support the application of the Sea Lion Dock Foundation. Allen asked whether the project cost has changed since the Task Force made its recommendations to Council. Pickens explained that it had increased by \$20,000 due to more accurate engineering and construction numbers. Swanson asked whether the Foundation had obtained other funding, and Ward reviewed funds that have been obtained and pending grant applications. She asked whether Bayfront businesses are contributing, and it was noted that some businesses contribute, but the contributions have been small. It was suggested that the Foundation actively solicit donations from Bayfront businesses.

Voetberg asked who will own and maintain the docks, and it was reported that the Port will own the docks, and that maintenance should be funded through donations.

Sawyer asked about the process for giving monies to these organizations. Voetberg reported that agreements would be drafted, but that the organizations would have to prove that they have matching funds in hand, any necessary permits, and that they are ready to build before city funds are released.

Tokos suggested that the grant agreement with OMSI identify activities that do not require onsite lodging to strengthen the tie between what occurs on the property and tourism promotion.

MOTION was made by Saelens, seconded by Allen, to award the following tourism facility grant and direct the city manager, in consultation with the city attorney, to develop a grant agreement for the disbursement of funds, to the Sea Lion Dock Foundation, in the amount of \$50,000. The motion carried unanimously in a voice vote.

MOTION was made by Allen, seconded by Saelens, to award the following tourism facility grant and direct the city manager, in consultation with the city attorney, to develop a grant agreement for the disbursement of funds, to OMSI, in the amount of \$150,000, and to have staff, in working with OMSI look into the issue of offsite facilities that might be utilized by participants that use the facility over the course of the year. The motion carried unanimously in a voice vote.

Allen reiterated that since the City Attorney will be looking at the grant agreements, that the further the issues of the TRT and potential exemptions for OMSI be explored.

Approval of Recommendation from the Destination Newport Committee regarding a KEZI Television Campaign. Lorna Davis, Executive Director of the Greater Newport Chamber of Commerce, and chair of the DNC, reported that the issue before Council is consideration of a television commercial campaign on KEZI, and that the proposal was reviewed and recommended by the Destination Newport Committee. MOTION was made by Sawyer, seconded by Beemer, to approve the KEZI television commercial campaign in the amount of \$15,000. The motion carried unanimously in a voice vote.

Further Consideration of Teevin Brothers Appeal of System Development Charges. Tokos reported that the packet includes an e-mail from Teevin Brothers formally withdrawing its request for an appeal of the SDC's.

Consideration of Ordinance No. 2048 Creating a Wayfinding Committee. It was reported that the issue before Council is consideration, and possible adoption, of Ordinance No. 2048 enacting a new Chapter 2.05.070 which would create a standing Wayfinding Committee. Saelens reported that he attended the ad hoc wayfinding committee meeting, and believes it is time it become a regular committee. MOTION was made by Allen, seconded by Beemer, to read Ordinance No. 2048, enacting Chapter 2.05.070 of the Newport Municipal Code and creating a Wayfinding Committee, by title only and place for final passage. The motion carried unanimously in a voice vote. Voetberg read the title of Ordinance No.2048. Voting aye on the adoption of Ordinance No. 2048 were Allen, Beemer, Busby, Saelens, Sawyer, Swanson, and Roumagoux.

Adoption of Town Hall Meeting Schedule. Swanson asked that the selection of location of Town Hall meetings, with the exception of the April meeting, be determined at a work session. It was the consensus of Council that the April meeting be held at Newport High School if it is available.

Consideration of a Special Event Permit for Loyalty Days. Jim Hawley and Teena Power, representing the Newport Loyalty Days requested a waiver of all fees for services provided by the city during Loyalty Days. It was noted that the fiscal impact to

the city is \$5,955, with \$3,600 in police services, and \$2,355 in Public Works services. Voetberg noted that if Council applies the same formula to this event as it has applied to other events such as the Celtic Festival and the Seafood and Wine Festival, that the city's contribution would be \$2,084, and that the Loyalty Days Association would be invoiced the balance of \$3,870.75. Roumagoux reported that the Coast Guard is interested in bringing in the Victory boats during this event. Roumagoux asked whether there is a website for interested people to contact the Loyalty Days Association throughout the year. A discussion ensued regarding consistency in waiving fees, and the distinction between Loyalty Days and other local events requesting fee waivers. It was noted that for future guidance, policies should be developed that distinguish between for-profit and not-for-profit groups requesting fee waivers.

MOTION was made by Sawyer, seconded by Saelens, to approve the fee waiver requested by the Newport Loyalty Day and Sea Fair Festival Association, Inc., in the amount of \$5,955, which is equal to 100% of the city's total fiscal impact of this event, and that the general fund be reimbursed 50% of this amount. Allen stated that he will vote in support of this motion, but a policy is needed that differentiates between not-for-profit and for-profit requestors. Saelens asked that staff provide a list of events in both the for-profit and not-for-profit categories. The motion carried unanimously in a voice vote.

Adoption of City Council Goals. It was noted that the only change to the goals since the last work session is that a sustainability section has been added. Saelens reviewed the sustainability goals and noted that he is willing to begin leading sessions to discuss concepts and mechanisms that can be used to think of sustainability in the broad scope. A brief discussion ensued. Allen and Sawyer offered Saelens assistance if needed. MOTION was made by Sawyer, seconded by Beemer, to adopt the City Council goals, for the 2013/2014 year, as presented. The motion carried unanimously in a voice vote.

Appointment to Audit Committee. It was reported that the issue before Council is an appointment of a Councilor to the Audit Committee to fill the position previously held by former Mayor Mark McConnell. MOTION was made by Allen, seconded by Beemer, to appoint Swanson to the Audit Committee to fill the position held by former Mayor Mark McConnell, and that this appointment will expire on December 31, 2013. The motion carried unanimously in a voice vote.

COUNCIL REPORTS AND COMMENTS

Sawyer reported that he had attended "Seven Brides for Seven Brothers" at the PAC, and that it was a good performance.

Sawyer reported that in the Mayor's absence, he had held office hours and several people came in.

Sawyer reported that during the Mayor's absence, he had participated in the KCUP radio show with Protiva, and the discussion was focused on the swimming pool.

Sawyer reported that he had attended the tsunami dock memorial ceremony.

Sawyer reported that the DOGAMI tsunami maps are ready for printing.

Sawyer reported that he had attended an informative session on the Joplin, Missouri tornado and response. He added that collaboration and NIMS knowledge are needs.

Sawyer reported that he is unable to attend the CWACT meeting on March 28. Either Roumagoux or Busby will attend in his stead.

Saelens reported that he plans to attend the Parks and Recreation Committee meeting on Wednesday.

Saelens distributed information regarding an upcoming ivy pull at Forest Park.

Saelens reported that he recently attended training where several Agriculture Departments reports were distributed. He added that he will inform Council if there are electronic copies of these reports.

Saelens reported that the paint products stewardship program, Paint Care, has not demonstrated that there is monetary value to the program at the local level.

Swanson reported that she was not able to attend the Senior Advisory Committee meeting due to a Council work session.

Swanson reported on a meeting of the Library Board. She noted that more people are returning books, and that the Library is looking at safety issues including the installation of more cameras.

Swanson requested an excused absence for the April 1, 2013 meetings. MOTION was made by Allen, seconded by Beemer, to excuse Swanson from the April 1, 2013 City Council meeting and work session.

Busby reported that he had attended the briefing on Joplin, Missouri.

Busby reported that he attended a recent meeting of the Airport Committee, and that the lease template is under revision and will come back to the Committee for additional review.

Beemer reported that he had seen the Public Works Director, and his entire family, in "Seven Brides for Seven Brothers."

Beemer reported that he had attended the session on the Joplin tornado response.

Beemer reported that he had attended the breakfast at the Coast Guard station.

Beemer reported that OMSI had made a presentation at the last Chamber of Commerce luncheon. The presentation included a thorough breakdown of plans.

Saelens noted that there are excess copies of the ivy pull event flyer.

PUBLIC COMMENT

Marletta Noe reported that Kay Keady and David Marshall had been very helpful in explaining her water bill.

Marletta Noe reported that Loyalty Days is an event for children and families.

ADJOURNMENT

Having no further business, the meeting adjourned at 8:53 P.M.

Margaret M. Hawker, City Recorder

Sandra Roumagoux, Mayor