

May 7, 2012
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, McConnell, Bertuleit, Brusselback, Sawyer, and Roumagoux were present.

Staff present was City Manager Voetberg, City Recorder Hawker, Community Development Director Tokos, Fire Chief Paige, Public Works Director Gross, Public Works Senior Project Manager Jones, Finance Director Marshall, Engineering Technician Roman, and Police Chief Miranda.

PLEDGE OF ALLEGIANCE

The City Council and audience recited the Pledge of Allegiance.

PUBLIC COMMENT

Bruce Koike, interim president of Oregon Coast Community College, introduced himself and described some of the OCCC programs. He invited Council to the upcoming golf tournament and 25th birthday celebration on May 19. McConnell reported that the Mombetsu Sister City delegation will arrive at the OCCC for the start of their visit.

CONSENT CALENDAR

The consent calendar consisted of the following items:

- A. Approval of City Council minutes from the work session and regular meeting of April 16, 2012, and the Town Hall meeting of April 30, 2012;
- B. OLCC application for Cecil's Dirty Apron.

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

PROCLAMATIONS

McConnell reported that he had delivered the proclamation for Older Americans Month in the City of Newport at the annual senior luncheon on May 1.

McConnell proclaimed the week of May 13 - 19, 2012 to be Police Week in the City of Newport. Sergeant Ken Real accepted the proclamation.

McConnell proclaimed the week of May 20 - 26, 2012 to be Emergency Medical Services Week in the City of Newport. Paige accepted the proclamation. Beemer

reported on a recent motor vehicle accident and the response by local emergency medical services provided by the Newport Fire Department.

McConnell proclaimed May 18 - 20, 2012 to be Brewer's Memorial Ale Fest Days in the City of Newport.

OFFICER'S REPORTS

Mayor's Report. McConnell thanked Council and staff for its attendance and work with the Volunteer Dinner.

McConnell reported that he had participated in a Nye Beach walk-around with the parking district members.

McConnell reported that he had attended a recent meeting of the Airport Committee.

McConnell reported that he had met with Ed Simon of the Parks and Recreation Committee, and also attended the Committee meeting.

McConnell reported that he, Allen, and Oly Olson, had attended a meeting of the Audit Committee. He asked that the information received at that meeting be distributed to all Councilors.

McConnell reported that there was great attendance at the Chefs against Hunger event.

McConnell reported that he had met with Gross and Voetberg to discuss "Company's Coming," and the City Center park area.

McConnell reported that he met with Rich Holgren, who is working with OSU on the recruitment of a replacement for George Boehlert who is retiring. He added that he was asked to host a community gathering to meet the candidates.

McConnell reported that the Chamber balloon auction was a success.

McConnell reported that the Town Hall meeting was a success, and approximately 50 people participated.

McConnell reported that he had attended a meeting with ODOT earlier in the day.

McConnell reported that he had attended a meeting of the City Center Newport Association.

McConnell reported that he had attended the Rogue groundbreaking ceremony for the brewery expansion.

McConnell reported that he had attended the annual senior luncheon on May 1.

McConnell reported that he had heard the president of OSU speak recently in Newport, and that OSU would like more of a local campus feel in the city.

McConnell reported that the ad hoc Wayfinding Committee has been making progress.

McConnell reported that he attended a meeting with other Lincoln County mayor's to discuss general issues.

McConnell commended the Recreation Department for organizing the Coast Classic Mountain Bike Race.

City Manager's Report. Voetberg reported that the city is continuing to provide information to employees about potential changes to the health insurance plan. He reported that a mandatory meeting was held recently at which CIS made a presentation. He noted that CIS will be back to talk with individual employees. Allen asked that

Council be provided with written informational materials provided by CIS. Voetberg added that January 1, 2013 is the date planned to switch to the high deductible insurance plan.

Voetberg reported that the Public Works crew had received a note of appreciation that is included in the packet.

Voetberg reminded Council that there will be no work sessions during May.

Voetberg reported that the FAA recently inspected the airport, and in talking with airport staff, it appears to have gone well. He added that a table top exercise is scheduled later this week. McConnell asked the status of the airport director recruitment, and Voetberg reported that eight applicants have been asked to respond to supplemental questions, and that interviews will likely not occur for several weeks. He noted that most applicants heard about the opening through the OAMA posting.

Voetberg announced that the first Budget Committee meeting will be held tomorrow at 6:00 P.M.

Voetberg reported that the capital project update is included in the packet. Bertuleit asked about the progress of the water and sewer systems between 40th and 50th Streets. Gross reported that staff is finalizing easements, and expects the project to be bid around July 1.

Voetberg noted that the packet contains an employee value statement that was developed by the City Employee Committee. It was suggested that a copy be posted in the Council Chambers.

Voetberg reported that the manager's report for the week of April 9 is included in the packet.

Allen asked whether there was any word from the Port of Astoria regarding settlement options. He suggested checking with the city attorney and scheduling a status report for the next Council meeting.

Allen asked whether the attorney's invoice had arrived, and Marshall noted that it had not.

McConnell reported that Senator Betsy Johnson had complimented the airport staff.

McConnell reported that he was a float judge for the Loyalty Days parade, adding that the event went well.

DISCUSSION ITEMS AND PRESENTATIONS

Update on Lincom. Miranda reported the history of Lincom; Paige reported on the transition from Lincom to Willamette Valley Communications Center; and Voetberg reported on the financial impact of the move to Willamette Valley Communications. They responded to Council questions. It was noted that an agreement with Willamette Valley Communications will be presented for Council consideration by July 1, and that the agreement would need the approval of the city attorney.

Update on 3rd and 6th Street sidewalks. Jones and Roman made a presentation regarding the repair/construction of the 3rd and 6th Street sidewalks. It was noted that the bid packet would be available by early June.

Marletta Noe reported that her current neighbors spent thousands of dollars placing paving stones on property they believed to be theirs. She added that no one was notified about the sidewalks, and that she does not see a reason to have a sidewalk greater

than four feet wide. She expressed opposition to the green strip as it would inhibit easy access for folks using canes, walkers, or wheel chairs.

Richard Strunk stated that he is concerned with the process. He reported that he found flags a few weeks ago, and that is the first notice he had of the proposed sidewalk project. McConnell stated that this matter will come to Council one more time before plans are finalized. Gross reported that the green strip was included in the project to avoid existing utility infrastructure. A discussion ensued regarding the proposed width of the sidewalk and whether there is a compromise to be made.

PUBLIC HEARINGS

Public Hearing on an Ordinance Amending Chapter 10.10 of the Newport Municipal Code Related to Electronic Message Signs. McConnell opened the public hearing at 7:32 P.M. He asked for actual or potential conflicts of interest. There were none. He asked whether anyone objected to any Council, or the Council as a whole, in hearing this matter, and he reviewed the process. Tokos delivered the staff report reporting that the issue is whether it is in the public interest to amend the Municipal Code to establish standards to allow electronic message signs in commercial and industrial zoned districts within the city. He noted that the Planning Commission had considered the proposal and recommended that the amendments be adopted. He noted that he was contacted by representatives of Walgreens seeking this change so that an electronic sign can be installed as a part of the new development at the intersection of Highways 101 and 20. He reported that several letters in opposition have been received from Carla Perry and Fran Recht. He noted that the packet, posted on the website, has strikethrough changes, and that this hearing is just for public testimony, as no ordinance is before Council today. It was noted that Recht's e-mail requested that code prohibitions in 10.10.045 remain in place. Discussions ensued regarding whether this was strong and clear enough. It was noted that prohibitions already in effect should not be waived. It was further noted that the amendment does not address Agate Beach and Nye Beach.

McConnell asked for proponent testimony.

Frank Geltner, spoke as a board member of the City Center Newport Association. He stated that he supports the amendment as written. He added that CCNA has proposed an electronic reader board sign. He asked about the five minute message duration. Tokos reported that this time limit was proposed by the applicant; reviewed by the Planning Commission; and thought to be the best approach. Geltner reported that a number of community arts organizations have expressed a desire for a community bulletin board to be placed on the highway. It was noted that the Municipal Code currently contains exemptions for certain types of organizations. Geltner noted that five minutes is a very long time for a message to run.

McConnell reported that he had received a letter from Perkins and Cole supporting the amendment. He noted that this firm represents the development.

McConnell asked for opponent testimony.

Joyce Gaffin stated that an electronically changing advertisement for a for-profit business is not being done for the general welfare of the community.

Janet Webster commended the Planning Commission for its work on this issue. She expressed concern regarding aesthetics, noting that the visual cacophony on Highway 101 is disturbing. She asked whether electronic reader boards would be allowed on the

Bayfront, and it was noted that they would not be allowed. She added that she is not convinced that electronic signs are in the best interest of the city.

McConnell asked for rebuttal.

Bret Fox, representing Thomas Fox Properties, thanked staff and Council. He stated that Walgreens wants to be a good member of the community. He noted that Walgreens was asked to design this store in the art deco look, and that was done to specifically try to fit into the community. He reported that the request for the electronic reader board stems from several things including the difficulty and inconvenience in changing regular reader boards. He added that electronic reader boards allow multiple messages within the same day, and that many businesses will benefit from this change, including gas stations, banks/credit unions, and hotels. He stated that there are also public benefits in that Walgreens will use part of the sign's time to advertise community events such as the jazz festival, farmer's market, and congratulating local teams. Other uses might be for health notifications or emergency messages. He urged Council to see electronic reader boards as good thing for the community. Fox and city staff responded to Council questions.

Geltner asked whether gas station signs are regulated in a different part of the sign code.

Sally Houck asked whether there would be a charge to advertise, and Fox noted that Walgreens has not charged for that.

Carla Perry asked whether there was a reason why a variance was not put forward as opposed to changing the code, and Tokos noted that this is not something you can get a variance for.

McConnell closed the public hearing at 8:09 P.M. for Council deliberation.

Allen noted that if Council proceeds with this change, he would like to explore some additional requirements as part of the overall package. It was suggested that the code prohibitions include electronic signs; recommended that Walgreens agree to turning the sign off when the store is closed; and consideration of a memorandum of understanding regarding Walgreens commitment to include civic messages on the sign. Discussion ensued regarding aesthetics, lumens, sign size, impact to other businesses, message time limit, and sign durability. MOTION was made by Roumagoux, seconded by Allen, to direct staff, in consultation with the city attorney, to prepare an ordinance amending the Newport Municipal Code to allow electronic message signs as presented this evening, and that the ordinance be scheduled for Council consideration at the May 21, 2012 meeting. The motion carried unanimously in a voice vote.

Public Hearing Regarding the Adoption of Ordinance No. 2036 Creating a Public Arts Committee, and the Adoption of Resolution No. 3589 Establishing a Public Arts Policy for the City of Newport. McConnell opened the public hearing at 8:29 P.M. Voetberg reported that the issue before Council is the consideration of a resolution establishing a public arts policy, and an ordinance creating a permanent public arts committee.

McConnell asked for public testimony.

Carla Perry reported that one of the Task Force recommendations was to include private commercial spaces in the percent for the arts program. She noted that she supports the ordinance despite the fact that there is only a recommendation for private commercial enterprises to participate in the program. A discussion ensued regarding

this issue. It was suggested that private developers be strongly encouraged to participate in the program.

McConnell closed the public hearing at 8:37 P.M. for Council deliberation. MOTION was made by Brusselback, seconded by Allen, to read Ordinance No. 2036, creating a Public Arts Committee, by title only, and place for final passage. The motion carried unanimously in a voice vote. Voetberg read the title of Ordinance No. 2036. Voting aye in a roll call vote on the adoption of Ordinance No. 2036 were Allen, Beemer, Bertuleit, McConnell, Brusselback, Roumagoux, and Sawyer.

MOTION was made by Brusselback, seconded by Allen, to adopt Resolution No. 3589, creating a public arts policy as amended with the addition of "strongly encouraged." The motion carried unanimously in a voice vote.

Public Hearing Regarding Water, Wastewater, and Stormwater Fees. McConnell opened the public hearing at 8:40 P.M. Gross reported that he had received written comment from Ralph and June Cline. Gross distributed a document that contained information on the state of the nation's water system and infrastructure, and a hardcopy of the PowerPoint that he presented. The PowerPoint presentation covered the city's responsibilities, the lack of infrastructure abilities, and the need for adequate funding to perform needed infrastructure projects. It was suggested that any increase in utility rates should not be used for operational expenses, and that this could be demonstrated by separating it on the utility bills.

McConnell asked for public testimony. He noted that he had received three e-mails and a telephone call regarding this matter. E-mails were received from Gary Smith, Sharon and James Shephard, and Ralph Cline. McConnell had a telephone conversation with Ralph Cline.

Lou Limbrunner stated that Marshall, Gross, and Tokos are accessible and have expertise. He expressed opposition to additional fees and fee increases.

Don Hunt suggested that the flat rate for water usage should be adjusted, and that the city should use property taxes to build a surplus fund.

Robert Whitman suggested an exemption from the proposed stormwater fee for people who contain water on their properties.

Susan Hogg asked why tax levies cannot be used again rather than rate increases. Gross noted that the city is attempting to pay as it goes, even though the city may still need to take loans for some projects.

Conrad Lacey stated that he appreciates that infrastructure has to be paid for; appreciates the level of detail; and is willing to pay his fair share toward costs. He stated that he is being billed for the sewer system although is cannot connect to it, and stated that it is unfair to have to pay what others pay who receive this service.

Charlie Plybon, Oregon field manager for the Surfrider Foundation, thanked staff for identifying needed improvements. He expressed support for the proposed fee increases.

Carla Perry noted that people who use more water are paying a lesser percentage, and asked whether this could this change to help offset some of the costs. Gross stated that this discussion only looks at aggregate increases.

Marletta Noe asked whether URA funds or the gasoline tax could be used for infrastructure.

McConnell noted that the city can use water bills as way to communicate with folks. Allen noted that no decisions regarding rate increases have been made, and

encouraged folks to attend the Budget Committee meetings, or the Council meeting when the budget is considered for adoption, to provide additional input on utility fees.

McConnell closed the public hearing for Council deliberation at 9:48 P.M.

Gross reported that the PowerPoint will be posted on the city's website tomorrow. He noted that he would like to proceed by looking at implementing adjustments over a five year period. He stated that he would perform a five year analysis, run hard numbers, and come back with a recommendation. Voetberg noted that staff has authorization to establish an SOS fund, but is waiting for the new financial software implementation.

ACTION ITEMS

Consideration of Ordinance No. 2033 Incorporating the Newport Zoning Ordinance into the Newport Municipal Code. It was reported that the issue before Council is consideration of whether it is in the public interest to incorporate the Newport Zoning Ordinance, as Chapter XIV of the Newport Municipal Code. MOTION was made by Sawyer, seconded by Brusselback, to read Ordinance No. 2033, an ordinance amending the Newport Municipal Code to codify the Newport Zoning Ordinance, including the targeted housekeeping amendments presented therein, by title only, and place for final passage. The motion carried unanimously in a voice vote. Voetberg read the title of Ordinance No. 2033. Voting aye on the adoption of Ordinance No. 2033 were Sawyer, Roumagoux, Brusselback, McConnell, Bertuleit, Beemer, and Allen.

Consideration of Destination Newport Contract with Eugene Emeralds Baseball. It was reported that the issue before Council is the consideration of a sponsorship for the Eugene Emeralds. It was noted that a proposal was reviewed and recommended by the Destination Newport Committee. MOTION was made by Roumagoux, seconded by Brusselback, to approve sponsorship of the Eugene Emeralds in the amount of \$9,700. Allen asked how much money is left in this fiscal year, and Voetberg reported that it is probably in the \$60,000 range. The motion carried unanimously in a voice vote.

Consideration of Resolution No. 3582 Appointing a Budget Officer for the 2012/2013 Fiscal Year. It was reported that the issue before Council is consideration of Resolution No. 3582 appointing a Budget Officer for the 2012/2013 City of Newport budget process. MOTION was made by Beemer, seconded by Bertuleit, to adopt Resolution No. 3582, appointing Jim Voetberg as Budget Officer for the City of Newport 2012/2013 budget. The motion carried unanimously in a voice vote.

COUNCIL REPORTS AND COMMENTS

Brusselback reported that he had attended a public meeting on the 3rd and 6th Streets sidewalk project, a Port meeting, Volunteer Appreciation Dinner, and a meeting of the Plastic Bag Community Plan Task Force.

Roumagoux reported that she had attended two Plastic Bag Community Plan Task Force meetings, and a Parks and Recreation Committee meeting.

Sawyer reported that he had attended a county public health meeting at which it was noted that sidewalks are most important for the county as folks need exercise.

Sawyer reported on a recent CWACT meeting, and noted that the city's ConnectOregonIV project is ranked number six statewide. He noted that a final decision is due in August.

Sawyer reported that Bertuleit was the top male runner in the age 60 - 69 age group in the Loyalty Days run.

Allen reported that he had attended two Plastic Bag Community Plan Task Force meetings, and that the next meeting is May 31. He added that he is unable to attend the May 31 meeting. He noted that Matt Hawkyard had been elected chair, and that Mark Jones was vice-chair. Roumagoux noted that the group had elected a parliamentarian and that is working well.

Beemer complimented the Parks and Recreation staff on the recent mountain bike race.

Bertuleit reported that there will not be an Airport Committee meeting this month.

Beemer requested an excuse from the May 21 City Council meeting and the May 15 Budget Committee meeting. MOTION was made by Bertuleit, seconded by Allen, to excuse Beemer from these two meetings. The motion carried unanimously in a voice vote.

ADJOURNMENT

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

Margaret M. Hawker, City Recorder

Mark McConnell, Mayor