

October 1, 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, Bertuleit, Brusselback, McConnell, Roumagoux, and Sawyer were present.

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

PLEDGE OF ALLEGIANCE

The City Council and audience recited the Pledge of Allegiance.

ADDITIONS/DELETIONS AND APPROVAL OF AGENDA

McConnell noted that Council had received a revised copy of the staff report for Action Item B. at the work session earlier.

CONSENT CALENDAR

The consent calendar consisted of the following item:

- A. Approval of City Council work session and regular meeting minutes of September 17, 2012.

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

OFFICER'S REPORTS

Mayor's Report. McConnell read a short letter from the Friends of the Oregon Coast Aquatic Center regarding the recent half-marathon.

McConnell reported that he had received a letter from the Oregon Forest Resources Institute inviting folks to participate in a field trip and informational session regarding Oregon forestry issues.

McConnell reported that he had received a letter from Benjamin Baggett, with the Lincoln County Land Trust, regarding a housing information survey that will be conducted among larger local employers. Voetberg noted that Baggett will be at City Hall from 1 - 4 P.M., on Thursday, and that he also plans to visit satellite work sites.

McConnell reported thanked Nicole Morris and Hawker for their work on the city employee barbecue, noting that there was a big turnout.

McConnell reported that he attended a recent meeting of FINE.

McConnell reported that he had taken a field trip with the state parks beach ranger and hiked to homeless camps. He added that there is a lot of garbage at the camps, and they need to be cleaned up before winter.

McConnell reported that he had attended City Hall Week and met with mayors and coastal caucus members. A brief discussion ensued regarding potential transient room tax legislation. The LOC indicated that it would support TRT legislation if the opportunity presents itself.

McConnell reported that he had attended a recent meeting of the Airport Committee, and that it was positive and complimentary of staff.

McConnell reported that he welcomed the Port Director's Association Conference to Newport and gave an overview on how the city and port are working together.

McConnell reported that he had attended the HMSC candidate luncheons.

McConnell reported that he had attended the City Center Newport Association annual meeting at which potential plans for Deco Park were discussed. Voetberg noted that the city is not a member of CCNA, but is within the district, and asked whether Council thought the city should join. It was the consensus of Council that the city become a member of CCNA. Allen noted that he is not inclined to go forward with the membership; but that the cost of it is not enough to make an issue of.

McConnell reported that there is extra emergency money available through the Oregon Emergency Management office, and that HMSC is working on interpretive signs along the evacuation route from HMSC to Safe Haven Hill.

McConnell reported that he was interviewed by a Japanese National Television crew on Thursday regarding the planned tsunami memorial.

McConnell reported that he had attended the recent Plastic Bag Community Plan Task Force meeting.

City Manager's Report. Voetberg reported that Hawker had received the Recorder of the Year Award from the Oregon Association of Municipal Recorders.

Voetberg reported that the capital project update is included in the packet. McConnell noted that he liked the second part of the report regarding projects in the design and analysis phase, and asked whether some of the projects are possible due to the utility rate increases. Gross noted that the CIP was based on extra revenue that was part of that increase. Gross added that he is hoping to bid projects sooner next year in order to get the best bids from contractors. McConnell asked whether Ash Street will be completed before the rainy season. Gross reported that easements are being signed, but that there is a truck in the right-of-way that needs to be moved before work begins.

Voetberg noted that the plan was to have a quarterly financial report at the next meeting, but that may be postponed until the first meeting in November.

Voetberg reported that Council typically holds only one meeting in December, and he recommended that the meeting be held on the third Monday - December 17.

McConnell thanked department heads and Voetberg for their work on Council goals, noting that the first quarterly review of goals, which occurred at today's work session, revealed that a great amount of work had been done toward realizing the goals.

It was announced that the next Town Hall meeting will be held on October 29, 2012, at Mo's Annex, at 6:00 P.M.

PROCLAMATIONS/RECOGNITIONS/SPECIAL PRESENTATIONS

McConnell proclaimed the month of October as Jewelry Collection Month in the City of Newport as a benefit for the Food Share of Lincoln County. Priscilla O'Brien accepted the proclamation on behalf of BeJeweled and encouraged folks to donate jewelry.

McConnell proclaimed the week of October 1 - 8, 2012 as Oregon Days of Culture.

McConnell proclaimed the month of October as Tsunami Preparedness Month in the City of Newport. He thanked the Police and Fire Departments and the volunteers who organized the emergency preparedness workshop this weekend. He reported that HMSC is holding a tsunami drill on October 11, evacuating people to Safe Haven Hill, and then on October 18, using the alternate route to OCCC.

DISCUSSION ITEMS AND PRESENTATIONS

Safe Haven Hill. Tokos reported that the issue before Council is a discussion concerning interim steps that the city can take to improve pedestrian access to the Safe Haven Hill tsunami assembly area, while the city awaits a decision from FEMA on its grant application to fully improve the site. He added that DOGAMI has confirmed that Safe Haven Hill will remain a designated assembly area on its new tsunami evacuation route maps, which are to be released later this year, and it is reasonable for the city to invest resources to improve access to the site. He noted that such investments should be made with full knowledge that the expenses will not be reimbursed by FEMA should the city's grant application be approved. He stated that the city and URA budgeted \$200,000 to improve pedestrian access to Safe Haven Hill; worked with community partners to develop a plan for what those improvements should entail; and submitted a grant application to FEMA for a portion of the construction costs. FEMA has determined that the project is eligible for pre-disaster mitigation funds. He added that just under \$15,000 has been expended on a geotechnical investigation of the site, and that the analysis includes construction recommendations. He noted that the city's grant application to FEMA includes a proposal for supplemental analysis to address outstanding questions concerning the proposed improvements and how the site is likely to respond to a Cascadia event. The supplemental analysis will cost approximately \$16,000, and would be addressed if the grant is approved. He recommended interim improvements to make the top of the hill more accessible. Interim work could include: leveling the top of the hill; cleaning the top of the hill; replacing the gate; targeted grading and clearing of paths on north side; directional signage; and related clearing on streets that feed to the hill. It was noted that some of the work could be absorbed internally, and that HMSC has agreed to participate. Tokos noted that if Council is inclined, he could bring a more specific list of work to a joint meeting of the URA and City Council. A discussion ensued regarding the liquefaction and erosion factors of the hill. It was noted that because the property is owned by the State of Oregon, an intergovernmental agreement must be developed. A discussion ensued regarding funding and the potential grant match. It was noted there is approximately \$45,000 - \$50,000 that could be used now, and still have a match intact if the FEMA grant is

awarded. Beemer, reported that he is the chair of Tsunami Evacuation Task Force, and that he appreciates what staff has done. Allen asked how much of the \$200,000 set aside for the match should be utilized outside the FEMA grant, and Gross noted that he is reluctant to use any of it because he doesn't know what to expect, although it is reasonable to proceed with rudimentary work. He added that adjustments can be made later when the true costs are available.

Michael Wilkinson reported that he lives on a boat in the marina and may not feel the shaking of an earthquake. He suggested that Council consider an audible alarm, and added that during the Japanese earthquake, he heard the sirens the city provided. He noted that he looks forward to joining the HMSC evacuation drill on October 11. McConnell asked whether Wilkinson had had discussions with the Port of Newport regarding emergency planning, and suggested the city continue working with the Port on signage and drills. Sawyer reported that NOAA alert radios are inexpensive and very valuable. Maryann Bozza, from HMSC, expressed appreciation for the city's support. Sawyer asked how long it would take to develop and IGA with ODOT, and Tokos noted that it would be about four weeks. MOTION was made by Beemer, seconded by Roumagoux, to direct staff to begin working on the IGA with ODOT, and to schedule a joint meeting between the City Council and URA for follow-up. The motion carried unanimously in a voice vote.

PUBLIC HEARINGS

Public Hearing and Possible Adoption of Ordinance No. 2042 Repealing and Replacing the Economic Section of the Newport Comprehensive Plan. McConnell opened the public hearing at 6:55 P.M. Tokos delivered the staff report, noting that the issue before Council is consideration of whether it is in the public interest to rewrite the Economic Section of the Newport Comprehensive Plan to implement recommendations of the recently completed Commercial and Industrial Buildable Lands Inventory and Economic Opportunities Analysis. He reviewed in detail the proposed recommendation. Brusselback asked for a time estimate on establishing a northside urban renewal district, and Tokos noted that it would take approximately 24 months. Allen noted that the general fund would be impacted by this district. Tokos reported that a full assessment would be necessary. Tokos noted that the other significant recommendation is the need for a business recruitment function that is not currently occurring, but if changes are adopted, the TAC would put together a work plan for that function to consider during the next budget cycle. McConnell noted that there are no guidelines regarding how revitalization might occur at underutilized property on Highway 101. It was noted that a discussion was also needed regarding what kinds of businesses the city would be interested in recruiting. Tokos noted that there is some direction built in as to how URA should approach those issues.

McConnell called for public comment.

Patrick Wingard, representing DLCD, stated that he supports the proposal to adopt the economic opportunities analysis and commended staff and the TAC. He noted that the report is very insightful about the city, its opportunities, and challenges, and that he and his colleagues had reviewed the document.

Allen stated that he would like more clarity in paragraphs two and three of the ordinance findings. Council concurred.

McConnell closed the public hearing for Council deliberation.

MOTION was made by Roumagoux, seconded by Beemer, to read Ordinance No. 2042, an ordinance that repeals and replaces the Economic Section of the Newport Comprehensive Plan, with the changes recommended by Allen, by title only, and place for final passage. The motion carried unanimously in a voice vote. Voetberg read the title of Ordinance No. 2042. Voting aye on the adoption of Ordinance No. 2042 were Allen, Beemer, Bertuleit, Brusselback, McConnell, Roumagoux, and Sawyer.

ACTION ITEMS

Notice of Award Big Creek Sewer Project. Gross reported that the issue before Council is approval of an award of the Big Creek Sanitary Sewer Rehabilitation Project to CG Contractors, LLC, in the amount of \$234,985. He explained the project and its need. MOTION was made by Beemer, seconded by Bertuleit, that the City of Newport Public Works Department issue an award for the Big Creek Sanitary Sewer Rehabilitation Project to CG Contractors, LLC, in the amount of \$234,985, and direct the City Manager to execute the contract on behalf of the City of Newport. The motion carried unanimously in a voice vote.

Notice of Intent to Award the 2012 Pavement Overlay Project. Gross reported that the issue before Council is approval of a notice of intent to award the 2012 Pavement Overlay Project to Road and Driveway Company in the amount of \$144,146.30. He reviewed the project, and stated that he will give a gas tax report at the next meeting. MOTION was made by Sawyer, seconded by Beemer, that the City of Newport Public Works Department issue a notice of intent to award the 2012 Pavement Overlay Project to Road and Driveway Company, in the amount of \$144,146.30, and contingent upon no protest, authorize award and direct the City Manager to execute the contract after seven days on behalf of the City of Newport. The motion carried unanimously in a voice vote.

Consideration of Real Estate Purchase Agreement for a Northside Fire Station. Paige reported that the issue before Council is whether to enter into a purchase and sale agreement to purchase a building and property for a new northside fire station at 225 NE 73rd Street. He noted that there is an identified need for a fire station in the north part of the department's response area, and that this building has been identified as being located in the optimal area for a northside station. He reported that it is a contemporary building that could be immediately used as a fire station; it is properly zoned; and has utilities. He added that an appraisal of the building was performed that established a fair market value under the current market conditions of \$275,000. The purchase and sale agreement is before Council. He noted that there is no penalty for early payout and that payments can be budgeted over five years or paid earlier. Allen noted that he had questions that were e-mailed to the city attorney today. Allen asked whether the utility costs listed under the fiscal notes were a response to the question of operational costs. Paige indicated that this number is indicative of projected costs for trash removal, water, and basic utilities. Sawyer asked whether an alarm system would be needed, and Paige noted that would be optional, but was not budgeted. Allen noted that the issues he has raised need to be resolved. Allen noted that Christy Monson, the City Attorney, had responded to Allen and Voetberg with additional recommendations,

and that Allen had replied to Monson with additional comments. Allen noted that he would like to ask Bonnie Saxton, the property owner, for clarification on some issues. Allen referred to the purchase and sale agreement, and particularly whether an addition could be made to Section 14 as follows: "Seller's representations contained in this agreement shall expressly survive closing," and Saxton replied that she had no problem with this recommendation, but that the deed would go to the city on closing. A discussion ensued regarding the incorrect ORS Chapter 93 citations appearing in various documents. It was noted that the ORS citations should be updated, but Saxton noted that they are not likely relevant to this transaction. A discussion ensued regarding language in the warranty deed not reflecting current language from the ORS. Allen noted that there are other questions from Monson regarding insurance and taxes. Saxton noted that the property taxes would be waived when the property is in the city's name. It was noted that Monson had reported that the trust deed requires the city not to remove or demolish any property on the property and asked whether that is that acceptable to the city. It was noted that Monson wrote that the trust deed requires adequate insurance and reminded staff to check with the city's insurance provider regarding this coverage. Saxton noted that the purchase and sale agreement says she provides the initial insurance. In summary, it was recommended that the language from the revised ORS Chapter 93 should be included; the sale and purchase agreement should include the additional language in Section 14 as previously indicated; and the language in the purchase and sale agreements needs to be amended to delete Section 3.3 regarding financing. MOTION was made by Allen, seconded by Roumagoux, that the City Manager be authorized to purchase the building and real estate described in the purchase and sale agreement, for \$275,000, under the terms and conditions as described in the purchase and sale agreement, and as amended. Included in this motion is the authorization for the City Manager to sign other required documents for the closing of the sale; and to approve the satisfaction of any contingencies, such as inspections, as specified in the agreement with the changes as discussed. The motion carried unanimously in a voice vote.

Approval of Automatic Aid Agreement. Paige reported that the issue before Council is consideration of whether the city should formalize an automatic aid agreement with the Depoe Bay Rural Fire District. He added that the north part of the Fire Department's response area is a long distance from a fire station, and in some cases, a Depoe Bay fire station would be closer. The automatic aid agreement would provide additional equipment and staffing for emergency incidents in the north part of Newport's response area and the south part of Depoe Bay's response area. MOTION was made by Sawyer, seconded by Beemer, that the City Manager be authorized to sign an automatic aid agreement with the Depoe Bay Rural Fire Protection District on behalf of the City of Newport. The motion carried unanimously in a voice vote.

Acceptance of AIP21 Grant. Voetberg reported that the issue before Council is consideration of the acceptance of the AIP21 grant award for the Runway 16/34 rehabilitation design and construction. He reviewed funding sources. MOTION was made by Brusselback, seconded by Sawyer, that the City of Newport (confirm the city manager's) accept(ance) of the AIP21 grant award for Runway 16/34 rehabilitation design and construction, from the FAA, in the amount of \$6,311,424, and acknowledge

the City Manager's execution of the contract on behalf of the City of Newport. Allen reported that there is an issue that needs to be clarified. He added that the document indicates that the city will accept the grant, and what occurred is that the grant was accepted on September 24, 2012 because that was the deadline; so to be more accurate, rather than accept the grant, it should be to confirm the City Manager's acceptance, on September 24, of the AIP grant 21. The motion was amended and the motion and amendment carried unanimously in a voice vote.

Authorization for Design Services with Precision Approach Engineering for Runway 16/34 Pre-Design Services. Voetberg reported that the issue before Council is consideration of authorization of Precision Approach Engineering for pre-design services for the Runway 16/34 rehabilitation. Allen asked whether the city's match is spread over two fiscal years, and Voetberg confirmed that it is. MOTION was made by Bertuleit, seconded by Sawyer, that the City of Newport authorizes Precision Approach Engineering (PAE) to proceed with pre-design services for the Runway 16/34 rehabilitation project for an amount not to exceed \$475,000. The motion carried unanimously in a voice vote.

COUNCIL REPORTS AND COMMENTS

Bertuleit reported on a recent meeting of the Airport Committee. He noted that staff is progressing and doing a great job, and airport users are happy. He added that staff is pursuing additional rental cars and additional business development at the airport. A brief discussion ensued regarding the airport getting an international designation, and Voetberg reported that the process is extensive, and would involve moving a customs person to the airport.

Bertuleit reported that he attended LOC Conference, and will report on it at an upcoming meeting.

Roumagoux reported that the employee barbecue was excellent.

Roumagoux reported that she had attended the recent LOC Conference and the breakout sessions were really helpful.

Beemer reported that he attended a meeting with Paige, Murphy, Rampley and volunteers and the Depoe Bay Fire District to discuss collaboration, merger, etc. He added that he will keep Council apprised.

Beemer reported that he attended the employee barbecue.

Beemer reported that he attended a Chamber of Commerce luncheon at which Council candidates spoke.

Beemer reported that an emergency preparedness workshop was held last Saturday, and that it was well attended.

Brusselback reported that he had also attended the Chamber luncheon and listened to Council candidates.

Brusselback reported that he had attended a meeting of the Plastic Bag Community Plan Task Force. He added that the Task Force will meet again on October 11, and bring a recommendation to Council at its October 15 meeting. McConnell noted that other motions, than the motion currently on the table, may be presented.

Allen reported that he attended a FINE meeting on September 18, at which there was a discussion about the NNMREC test berth site and the P MEC grid connected site.

It was noted that the Mayor had extended an invitation to Kaety Hildenbrand and Belinda Batten to make a presentation to Council regarding their activities including the most recent selection process that is underway for the PMEC site.

Allen reported that he had attended a recent meeting of the Port's task force regarding Highway 20 and John Moore Road, and had forwarded the draft meeting notes to Council. He noted that the next meeting will be held on October 10.

Allen reported that he attended a Bureau of Ocean Energy Management/Oregon Task Force meeting regarding renewable energy issues in the outer continental shelf.

Allen reported that the Oregon Wave Energy Trust conference was held the same week as the Bureau of Ocean Energy Management meeting.

Allen reported that he attended the Coastal Oregon Marine Experimental Station board meeting. He added that he is ex officio on behalf of the city to this group. He noted that he had invited Gil Sylvia to make a presentation to Council.

Allen reported that he had attended a luncheon with candidates to replace George Boehlert.

Allen reported that he attended a recent YBEF meeting regarding marine related activities.

Allen reported that he attended the legal issues workshop at the League of Oregon Cities Conference.

Allen reported that he had taken a boat tour to the NNMREC test site off Yaquina Head to look at the OSU Ocean Sentinel and the test buoy.

Allen reported that the Plastic Bag Community Plan Task Force would be meeting again to formulate recommendations. He noted that there were issues about representation and membership, hoped that his earlier e-mail had provided clarity.

Allen reported that the next Territorial Sea Plan Advisory Committee meeting will be held on October 9 at OCCC.

Sawyer reported that a new round of CERT training began last week with 23 participants. He thanked Melanie Nelson, from the Fire Department, for coordinating the CERT training.

Sawyer reported that the Coho/Brant neighborhood should be added to the tsunami evacuation drill to be held on October 11.

ADJOURNMENT

Having no further business, the meeting adjourned at 8:18 P.M.

Margaret M. Hawker, City Recorder

Mark McConnell, Mayor