

Spencer Nebel City Manager CITY OF NEWPORT 169 S.W. Coast Hwy. Newport, OR 97365 s.nebel@newportoregon.gov

MEMO

DATE: February 10, 2014

TO: Mayor and City Council

FROM: Spencer Nebel, City Manager

SUBJECT: Status Report

For the time period of January 6 - February 7, 2014, as I have previously indicated to the City Council it is my intent to produce a status report covering the highlights of activities on a bimonthly basis. The status report will be emailed to the City Council, City Attorney and Department Heads on the Mondays opposite of City Council meetings, and a hard copy will be placed in the City Council mailboxes on Monday as well (please contact Cindy if you do not need a printed copy and will rely strictly on the electronic copy). In addition, the departmental reports will be forwarded to the City Council via email with a printed copy in your boxes on the second Monday of each month. We will also post these reports under administration, monthly departmental reports, on the website for public review.

As with other communications implementations, please let me know what your thoughts are about the format we will be using for my status report and the departmental reports. I also encourage you to give me a call if you have any questions, comments, or concerns regarding any of the issues addressed in this report. The purpose of the bimonthly status report is to both inform you of activities that I have been involved with during the past two week period and to give you the opportunity to provide any comments, thoughts or suggestions on any of the ideas that are in progress with City staff. This should also (once we get these reports published on a regular schedule) give you the heads up on items you will likely see on future City Council agendas.

Highlights of Activities Over the Past Five Weeks Include the Following:

 Participated in a routine department head meeting. Please note that we are holding department head meetings in the morning of City Council meetings. This gives me one final review of the agenda items as well as upcoming items that will be on future City Council agendas. I also use this time to go over a number of issues that I have for the departments, and the department's opportunity to share concerns or issues they have for me as well.

- Participated in the January 6, 2014 Council Work Session.
- Met with the Mayor to review the January 6, 2014 City Council meeting agenda.
- Participated in the January 6, 2014 City Council meeting.
- Met with Dave Morgan to discuss my first few weeks on the job.
- Public Works Director, Tim Gross, Melissa Roman, and I participated in a call
 with ODOT on the FLEX project funding for the 101 pedestrian crossings. This
 was the first of several meetings with ODOT in order to address the significant
 cost overage that has occurred with the pedestrian crossings on 101.
- Met with Councilor Swanson, to complete my meetings with the Mayor and six City Councilors to discuss various issues, concerns, and ideas for the future of Newport.
- Met with Jim Protiva to discuss various departmental issues.
- Participated in a City Center Committee meeting. The primary discussion was the informational sign that the group is proposing to be built on Highway 101. They intend to provide a presentation at a future City Council meeting. Please note that the group believes they have \$90,000 available for the sign. As we have found with other budget issues this is not clearly defined anywhere in the current year's budget. Finance Director, Bob Gazewood, has indicated that there appears to be sufficient funds in the fund balance to honor this apparent commitment, however no specific funds appear to have be appropriated for the purpose.
- Peggy Hawker and I have had conversations with Rob Connell regarding the city's taxicab ordinance and the outstanding application for a taxi license from Ken's Cab. It was Rob Connell's recommendation that we initiate communications with the Ken's Cab and indicate that we would give them an opportunity to reapply for a taxicab license under the city's existing taxicab ordinance. The letter was sent to Ken's Cab who responded that it was their intention to reapply for the license. As of this point, we have not received a new application. We will contact Ken's Cab to see what their intention is. If they choose not to apply, we can proceed to amend the city's taxicab ordinance which would affect any future applications. Since this application was in progress at the same time the City Council was discussing a new taxicab ordinance, it is important that Ken's Cab be given the opportunity to reapply under the existing. Please note that Ken's Cab currently does not have a license to operate in the City of Newport.
- Met with Richard Dutton to review various key issues in the city.
- Met with Mark Watkins to discuss his thoughts and ideas in regard to the airport. I indicated to Mark that I have identified the airport as one of my four priorities to address in the first six months of my tenure with the city. I will be meeting with others stakeholders of the airport to discuss various perspectives on the existing situation and what future direction we need to go in for the operation of the facility.

- Was on vacation from Friday, January 10th through Friday, January 17, 2014 on a prescheduled Caribbean cruise. Both of us came down with cold on the trip, however it was a much needed respite for both Angela and I from our departure from Sault Ste. Marie, travels across country to Newport, and in settling in to Newport life and work.
- City Hall was closed on Monday, January 20, 2014 in observance of Martin Luther King Day.
- Participated in in a regular department head meeting on Tuesday, January 21, 2014.
- Participated in a City Council Work Session, meeting with Mayor to review the agenda, and regular City Council meeting on January 21, 2014.
- Met with chief Miranda to discuss a personnel matter.
- Met with Lance Vanderbeck to discuss various airport operational issues as part of my overall airport review.
- Met with Terry Durham regarding my airport review.
- Met with Derek Tokos to discuss to possible property acquisitions by the city. We
 thought it would be appropriate to share/update the Council in executive session
 regarding both of these available parcels to determine City Council's interest in
 pursuing further discussions on these matters.
- Met with Melissa Roman to discuss the major airport construction project that will be taking place in the 2014 construction season. The City Council has awarded the contract for the runway rehabilitation to High Desert Aggregate and Paving. This work is tentatively slated to begin in May 2014 with the pavement completed by early September.
- Met with Andy Parker and Tom Jackson, president and vice president IAFF Local 4619 who represent the full-time firefighters. I have asked to meet with representatives of the various bargaining units so that we can get to know each other going forward. I indicated to the bargaining units that I will always maintain an open door for the bargaining unit representatives if they want to discuss any items of concern with me.
- Held regular weekly status meetings with Mark Miranda and Phil Paige.
- Participated in a second ODOT meeting on the Highway 101 pedestrian crossings. The result of these discussions were shared with City Council at the February 3, 2014 City Council meeting.
- Met with labor lawyer Kyle Abraham, from Portland, who wanted to offer his services to the City for negotiations or other labor matters.
- Derek Tokos, Tim Gross, Bob Gazewood, and I met to address the recommendations that were accepted by the City Council in regard to the Infrastructure Task Force. It is our goal to have some preliminary discussion on how the Infrastructure Task Force recommendations can be addressed in the upcoming budget as part of the February 24 goal setting session.
- Met with Tim Gross to discuss staffing considerations within the DPW.
- Tim Gross, Peggy Hawker, and I met to discuss the development of a recommendation for the City Council in regard to recommendations made by the

- Bicycle/Pedestrian Committee in December. This report was presented to the City Council at the February 3, 2014 Council meeting.
- Met with Councilor Ralph Busby regarding the municipal airport. As part of my
 effort to get a broad-based understanding of the history of the operations of the
 facility, along with ideas and thoughts on how to proceed with the operation of
 the facility in the future. I appreciate Councilor Busby's time in this matter.
- Toured the city's various recreational facilities with Jim Protiva, including the Pool, Rec. Center, Senior Center, and the city's various parks. For a community of 10,000 people, Newport is very blessed with an extensive quality park system and recreational facilities.
- Met with Rob Thompson and Ken Riley regarding the proposal to initiate the curbside collection of compostable materials within the City of Newport. They brought me up to date on the various efforts that were initiated with discussions with Councilors Mark Saelens and David Allen almost a year ago. The collection would be supported by a mandatory fee that would be placed on the garbage bills for the service. Property owners would be given a 96 gallon container for yard waste and food waste that would be collected weekly. It is Thompson's Sanitatry's opinion that there would be some savings for some customers collection by reducing the size of the container that they use, reducing the frequency of pickup, or reducing additional charges paid when additional garbage is left curbside for collection. Thompson's Sanitatary presented information on the survey that showed support for collection of compostable material in the city based on responses to an online survey. A public forum/hearing will be held on this issue at the February 18, 2014 City Council meeting.
- I met with Jim Salisbury on several employee safety issues.
- I met with Melissa Roman regarding airport budget matters.
- Met with Wendy Engler, Kathy Cleary, and Norm Ferber regarding long-term vision and goals for the City of Newport. They indicated that there were big visions and dreams for the community during the Don Davis years which led to the creation of the Performing Arts Center, a vision for the re-envision of the Nye Beach area and other similar community accomplishments. They expressed their concerns about deteriorated properties and infrastructure efforts that did not address matters such as street lighting and connectivity of Nye Beach to the rest of the community. Norm also expressed his concerns with the vacation rental ordinance which he believes has had an adverse impact on the community. From their perspective, they believe that the community needs to embark on an effort to develop consensus on a number of big directions on which the community should be focusing in the next couple of decades. I have indicated that this is something that the Council has had discussions with me about and that we would be talking in general terms, at the goal setting session, regarding the creation of a new longterm community vision for Newport. I have offered to meet with them again to spend a little more time refining their thoughts and a pursuing to this matter.
- Met with Tim Gross, Derek Tokos, Bob Gazewood, and with various ODOT representatives to continue efforts to develop a plan to complete the Highway 101 pedestrian crossing project which is an important community project.

- Had the opportunity to meet with David Bigelow, CEO of Samaritan Pacific Communities Hospital, to understand a number of issues that the hospital is currently dealing with. Fortunately, Samaritan Pacific Communities Hospital has been one of the financial bright spots of the Samaritan system.
- Solicited comments from department heads regarding priorities and issues to
 consider in hiring a human resources position to replace JJ Scofield's position. JJ
 has taken a job with Josephine County and resigned his position with the City of
 Newport. We hope to be advertising this position during this coming week.
- We are continuing to advertise the Finance Director's position with applications due by February 28, 2014. We are hopeful to get additional candidates for this critical city position.
- Derek Tokos, Tim Gross, Bob Gazewood, and I met to work through our new process for budgeting capital outlay projects in the coming year. I believe that the budgeting process will create a more transparent understanding of how various dollars are being utilized for capital improvements within the city. This will be important as we embark on efforts to reconstruct the city's infrastructure as outlined by the Infrastructure Task Force.
- Met at the Library with Ted Smith for a formal tour of the city's Library. Ted outlined ongoing issues and concerns that are going to be future priorities to continue to keep the Library current and safe for users and staff.
- Working with the Mayor, Peggy Hawker and Cindy Breves, we have developed the new format for the City Manager's Report and recommendation to accompany the City Council agenda. I appreciate the help and collaboration in developing this format. As I indicated, this will be a work in progress until we have a finalized format that will work well for all parties. I do encourage you to share various thoughts or ideas about the format that might make it better for you. I will make a couple of changes as suggested at the February 3 City Council meeting for our next meeting.
- Met with Mark Miranda at our weekly meeting to discuss various issues.
- Participated in the quarterly meeting with ODOT to discuss many of the operational issues with ODOT highways running through the City of Newport. Tim Gross, Mark Miranda, and Derrick Tokos also participated in this meeting. Various safety issues, signage issues, and signalization issues were discussed with ODOT.
- Met with Robert Smith of the Budget Committee to brief him on the upcoming budget plans. He seemed to be supportive of the planning on how to present the budget to the Budget Committee in a way that members of the Budget Committee can provide questions, comments, and recommended changes to the proposed budget, with those items being discussed and acted upon at a following meeting.
- Met with Catherine Rickbone to tour the Performing Arts Center and understand how the Oregon Coast Council for the Arts provides contractual operational services for both the PAC and VAC and will as the statewide role this organization plays in the coastal communities of Oregon.
- Met with Brian Fitzsimmons, CPA, and Robert Moody, of TKW, regarding their partnership to provide various accounting/auditing services. They currently do not work for the city.

- Met with Wayne Brunelle to tour Lakewood Hills. Mr. Brunelle identified a number of priorities that the neighborhood would like to see addressed in the future.
- Councilman Dean Sawyer gave me an aerial view of Newport and surrounding sights via his airplane. This was very beneficial to understand the local geography and proximity of the various parts of Newport to the rest of the community. We also had the opportunity to fly over the US 20 realignment work that has been ongoing for a number of years. I greatly appreciate Dean's willingness to take me up on what was a beautiful clear day to better understand our local geography and things that are in close proximity to the City of Newport. Thanks again Dean for a great flight!
- Participated in the department head meeting, City Council work session, met with the Mayor to review the agenda, and the February 3, 2014 City Council meeting. At this meeting, we instituted the new agenda format. Overall, I have received very positive feedback as to how this worked for our first meeting. In going forward, I will incorporate the specific language for motions and will clarify what each section of the agenda is intended to cover as was discussed at the February 3 Council meeting.
- Met with Melissa Roman and Jeff Geoffvaugn, with Precision Approach Engineering, on the airport runway reconstruction project. Jeff gave a complete overview of the items included in this project including runway demolition, reconstruction, new lighting, drainage improvement, regarding, and other related work. The biggest concern he has for this work is having decent weather when the runway is rebuilt and compacted. If there is too much moisture during this time, it may be difficult to get the required compaction of the base for the new asphalt surface. Attached is the preliminary schedule for construction of this new runway facility. Please note that there will be a period of time that the airport will be closed for the reconstruction of the area where the two runways intersect. This would temporarily eliminate the cross wind runway toward be the main runway during the construction activities. I have indicated that we need to give the pilots ample notice of the anticipated date of the airport closures so they can make appropriate plans.
- Participated in a conference call, at the request of Christy Monson, of Speer Hoyt, to discuss their relationship with the city. I indicated to Christy that we are working with Rob Connell to develop the proper protocols of the work that Rob is going to do versus the work that Rob is going to refer to Speer Hoyt or other legal firms where appropriate. She indicated they were happy to do as much or as little as the city would like them to do going forward in the future. Staff has indicated that Speer Hoyt has been very responsive to some of the specialized work that they have requested from Speer Hoyt in the past. At some point in the not too distant future, Rob Connell and I will be proposing a revision to the City Council's original resolution as it relates to the utilization of legal services by the City of Newport. This has been an area of some confusion which needs to be addressed. This followed a meeting with Mayor Roumagoux, Peggy Hawker, Rob Connell, and myself to evaluate how this relationship is working, or not working, from a city staff standpoint as well as a City Council standpoint. Our conclusion

- was that with a little tweaking, we can make this work well for the various parties in an economical way.
- Met with Greg Evans, Mike Eastman, and Dann Walker of the Newport Employees Association bargaining unit to have an initial meet and greet. Overall, the bargaining unit has indicated that they have had good relationship with the city. Their next contract negotiations do not occur until 2015. I extended the invitation for them to meet with me on a quarterly basis to discuss any employee management issues that they feel appropriate. It is important to have a familiarity between myself and the city's various bargaining units.
- Met with Linda Brown to discuss various benefits provided to city employees as well as the upcoming budget process.
- Participated on the KCUP radio show with Cheryl Harle.
- Participated in a meeting set-up by Tim Gross with Tia Cavender of Chase Park Grants and various state officials who would be involved in the potential funding a variety infrastructure projects including the continued evaluation of the city's two dams which create the reservoirs for drinking water for the City of Newport, as well as various stormwater problem areas throughout the city. This was a good process in that the various state officials had an opportunity to see firsthand what some of the problem areas are. This should curry some administrative support as well as leads on potential funding to accomplish a number of these longer-term concerns within the city's various infrastructure systems.
- Participated in an overview with Tim Gross by Verena Winter, a design engineer with HDR Engineering, of Portland, Oregon, on the various efforts to assess the structural sustainability of the city's two dams which are critical to providing the drinking water for the City of Newport in the event of a significant earthquake. Additional work needs to determine what options would be most cost-effective and address any structural deficiencies on these dams. Please note that Tim Gross has indicated to me that these two dams are number two and number three on the state priority list as it relates to potential structural deficiencies.
- Participated in an administrative meeting within the Newport Police Department. This was a good opportunity to understand issues and priorities the department is currently working on.
- Met with Mark Miranda in our regular weekly meeting on various police issues.
- Met with Phil Paige and Assistant Chief Rob Murphy to discuss the upcoming resignation of Phil Paige as Fire Chief. It is Phil's intent to leave his service with the city on June 22, 2014. Phil and I have had several discussions regarding the transition of the Fire Chief's position. Per these discussions, Phil outlined a transition plan for the department. This accomplishes several things. First of all, it provides a smooth transition into an Interim Chief giving Rob Murphy an opportunity to gain experience in the acting chief's role. This would be beneficial both to Rob, in evaluating whether or not he would have any interest in filling the permanent Chief position, and for me to determine whether Rob would be a good fit for this position as well. Secondly, it will allow me to focus on some of the current issues that need to be addressed with the Finance Director's position, budget, filling an HR position, and other priorities. The third benefit of utilizing an acting chief for an extended period would be to evaluate whether it makes any

sense for Newport to increase its collaboration with neighboring fire districts. I know there had been some discussions about this in the past and I believe it is worth exploring particularly with the significant changes that are occurring in staffing among the various fire departments in this area. A collaborative effort has its benefits and disadvantages, but this would give some time for thoughtful review of these options by me as city manager, the department, and City Council to determine any potential benefit to the residents of the City of Newport. Let me know if you have any thoughts on the proposed transition plan that is outlined in the February 6, 2014 letter from Phil Paige to me that is attached to this report.

- Met with Wayne Belmont, County Counsel for Lincoln County. This gave me an
 opportunity to understand some of the initiatives that have been accomplished
 between the county and the city in the past. Wayne described the relationship
 between the city and the county both with the Mayor and Council and
 departments as a very constructive.
- Interim Finance Director, Bob Gazewood and I are meeting with the full-time employees of the Finance Department to discuss the various re-organizational efforts to address the division of duties in a way that satisfies the comments that the city has received in previous audits. There are some challenges in doing that with a small workforce, but from an accountability standpoint, we need to implement reasonable division of responsibilities in order to minimize the potential for a problems down the road. In reviewing the previous audit comments, there are a number of other issues that need to be addressed in the Finance Department including the reconciliation of accounts on a timely basis. Furthermore, we also have problems with accounts payable. With all the upheaval and revolving door with Finance Directors and City Managers, these issues have not been adequately addressed in the past. I do appreciate the efforts of all the Finance Department employees and I am confident that we will be able to put in place a structure that will more closely meet the expectations of our auditors and provide timely data to departments and their financial status as well.
- Met with Caroline Bauman, Executive Director of Economic Development Alliance, to get an overview of the services that the Economic Development Alliance provides to Newport and Lincoln County.
- Met with Dave Morgan to discuss the video equipment for the City Council Chambers. Dave is suggesting that we take a look at placement of permanent cameras and video equipment for the City Council Chambers. Dave indicated that for many people their primary access to Council meetings is through the internet. Permanent equipment could reduce the cost for televising the Council meetings. I am familiar with these types of systems since we utilized a permanent mounted camera system in our City Hall project in Sault St. Marie and it really does provide a much less intrusive and high-quality broadcast. I will be asking Richard Dutton to take a look at some systems as part of the upcoming budget process.
- I enjoyed (my first Newport snowstorm) in accordance with the personnel policy allowed any employees who felt they needed to leave early to leave at noon on Thursday and Friday. The personnel policy provides that employees utilize appropriate leave time for this time. We did do a hard closure of City Hall on both

- Thursday and Friday at 4:00 PM in order to let folks get home before dark. The Library and some of the Parks and Recreation facilities also followed suit.
- Overall, I think the DPW crew did a good job of keeping the major roads and hills either passable, or in a couple of cases, closing off some of the steeper streets leading to the Bayfront. DPW crews also had numerous complaints about frozen water and other issues. It is also interesting to see snow on one day and 50° plus temperatures and sunny skies the next. (I think I can handle these kinds of winters!)
- Continued working with City Attorney, Rob Connell to sort through the various legal services needs for the city. This process has been a bit convoluted from an administrative standpoint. Prior to the snow event, we were planning to meet with departmental staff and Rob to discuss staff legal needs and to develop a cleaner process for dealing with those legal needs between Rob and other consulting attorneys. It is important that a clean process be created with the City Attorney coordinating and reviewing the legal services that the city receives.

Upcoming Events:

In this section of my report, I try to create a calendar of specific issues the City Council may be involved with during the coming weeks. As time goes on, this section should be more complete.

- Monday, February 17, 2014, City Hall will be closed in observance of Presidents' Day. Please note that the City Council meeting will be held on Tuesday, February 18, 2014.
- Seafood and Wine Festival will be held on February 20th through the 23rd
- Monday, February 24, 2014, from 9 AM to 3 PM, the City Council will meet in a goal setting session.
- Wednesday, March 12, 2014, at 6 PM, will be the preliminary meeting of the Budget Committee.
- March 25-28, 2014, I am planning to attend the Northwest Regional Manager's Conference in Stevenson, Washington.
- Friday, April 18, 2014, a proposed budget will be distributed to the Budget Committee.
- Wednesday, April 30, 2014, at 6 PM, the first Budget Committee meeting will be
- Wednesday, May 7, 2014, at 6 PM, the second Budget Committee meeting will be
- Wednesday, May 14, 2014, at 6 PM, the third Budget Committee meeting will be held.

Attachments:

- A letter from Phil Paige, Fire Chief, announcing his resignation from the City of Newport effective June 22, 2014.
- Construction schedule for the runway improvements at the airport. Please note that this is a preliminary schedule and subject to final revisions by the contractor and the consultant. The final schedule will be produced in the next couple of months.

- A letter from City County Insurance Services indicating that they have denied any claims from Jonna Shaughnessy alleged damages.
- A letter from the Department of the Navy regarding the Draft Environmental Impact Statement for Northwest Training and Testing. A meeting will be held in Newport on Tuesday, March 4, 2014.

Hope everybody has a great week.

Respectfully submitted,

Spencer R. Nebel City Manager

Cc: City Attorney
Department Heads



Phil Paige, Fire Chief Newport Fire Department 245 NW 10TH ST Newport, Oregon 97365

February 6, 2014

To: Spencer Nebel, City Manager From: Phil Paige, Fire Chief Subject: Notice of Resignation

This letter is to formally give advance notice of my intention to resign my position of Fire Chief at the end of the last pay period of this fiscal year, with an effective date of June 22, 2014. As we have discussed, the completion of the budget process, a succession plan for my interim replacement, and preparation of the new interim Fire Chief will be my priorities over the next few months.

In order to allow for the smoothest transition possible, we have developed a tentative transition plan that considers the budget schedule and should help meet these goals. This tentative transition plan will include the service of Chief Murphy as Interim Fire Chief for about six months, which will allow for a thoughtful deliberation regarding a permanent Fire Chief selection. I am confident that Chief Murphy is up to the challenge, and I will work closely with him over the next few months to make sure he is up to speed on all aspects of the department.

I plan to be in the office and concentrating on initial budget preparation, working with Chief Murphy and Melanie, during the first three weeks of March. I will be on vacation the last week of March and first week of April, and Chief Murphy will be assigned as Acting Fire Chief. For the following seven weeks, I will be working to refine the budget, developing a list of current and imminent issues in the fire department, and reviewing these with you, Chief Murphy and Melanie.

Once the budget process is complete, beginning Memorial Day weekend, I will be on vacation for about three weeks (this should pretty much exhaust my vacation balance, so I don't anticipate any accumulated leave payout). At this point, Chief Murphy will assigned Interim Fire Chief, and during my absence he will develop a list of other questions and issues where he would like further detail or clarification. I will be back for the final budget hearing on June 16th and work with you and Rob to resolve any final issues, make sure that all my files are accessible, and generally close out as many open issues as possible that week. The end of the last pay period of the fiscal year is June 21, so for budgeting purposes, that seemed like a logical departure date. After that date, we will be planning to travel a bit, but I will be available for questions, or possibly even for consulting on temporary projects on a part time or temporary basis if you would like.

I would like to thank the City of Newport, and the Fire Department for the great opportunity that I was afforded, and for their support and the support of the community. I believe that we have made some amazing improvements in the level of emergency service over the past three years. The professionalism of the department and the morale of the members of the

organization are both high and I am confident that the department will continue to improve in my absence. I urge you and the Council to continue the strong support you have shown that has allowed for these improvements.

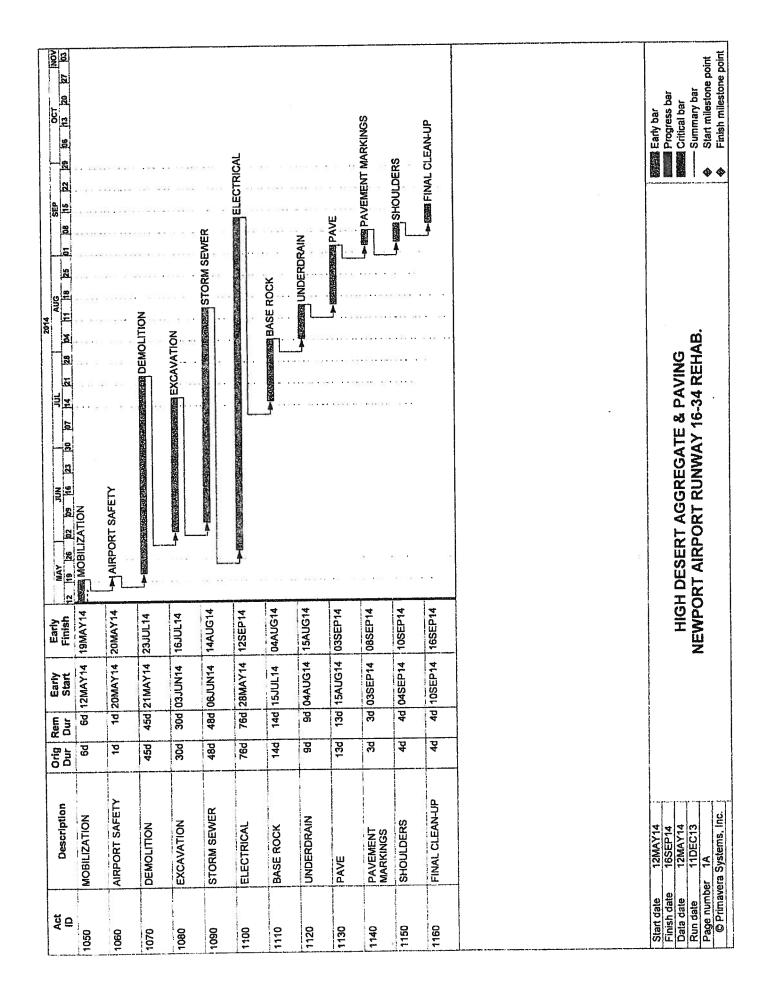
I am proud to be a part of the City's management team and a member of the Newport Fire Department. Newport has some exceptional employees and volunteers who really do have the community's well-being as their foremost concern. It is my impression that the citizens and business owners are very supportive of their local government in general, and especially their fire department.

In my thirty three years of public service, I have slowly seen this public appreciation of what public servants do, slowly erode with the increasing skepticism of government. While I share some of these feelings regarding our federal government, the community support that I have experienced over the last few years in Newport is refreshing and encouraging.

I have truly loved my job and have had a difficult time deciding to hang up my helmet, but family needs combined with the stability of the Fire Department have convinced me that it is the right time. I am very comfortable that the staff at the fire department will continue the high quality of service and that I will probably not be missed for long. Again, I appreciate the opportunity I've had.

Sincerely,

Phil Paige





citycounty insurance services www.cisoregon.org

February 9, 2014

Isaac Ersoff Attorney at Law 2015 NW 39th St., Suite 201 Lincoln City, OR 97367

NAME OF INSURED: City of Newport

CLAIMANT:

Jonna Shaughnessy

FILE NUMBER:

62161

DATE OF LOSS:

4/16/13

Dear Mr. Ersoff:

We have completed our investigation of your client's claim against the City of Newport.

Our investigation determined that the actions of the City and its employees were appropriate and reasonable in this matter.

The evidence leads us to believe that our insured is not liable for your client's alleged damages. Under the circumstances, we must respectfully deny your client's claim.

We trust you will understand that our obligation is to pay only those claims for which our Members are legally responsible.

Sincerely,

Jeff Sweet, CPCU, CIC Senior Claims Adjuster

cc: City of Newport





DEPARTMENT OF THE NAVY

COMMANDER
UNITED STATES PACIFIC FLEET
250 MAKALAPA DRIVE
PEARL HARBOR, HAWAII 96860-3131

INREPLY REFER TO: 5090 Ser N01CE1/0047 January 17, 2014

Dear Sir or Madam:

Subject: NOTICE OF AVAILABILITY OF THE NORTHWEST TRAINING

AND TESTING (NWTT) DRAFT ENVIRONMENTAL IMPACT STATEMENT/OVERSEAS ENVIRONMENTAL IMPACT STATEMENT

(EIS/OEIS)

This letter is to inform you that the Department of the Navy (Navy) has prepared a Draft EIS/OEIS for military readiness training and testing activities conducted primarily within existing range complexes, operating areas and testing ranges of the NWTT Study Area. The Navy welcomes your comments on the Draft EIS/OEIS.

The NWTT Study Area (see Enclosure 1) is composed of established maritime operating areas and warning areas in the eastern North Pacific Ocean, including the Strait of Juan de Fuca, Puget Sound and Western Behm Canal in southeastern Alaska. The NWTT Study Area includes: air and water space within and outside Washington state waters, and outside state waters of Oregon and Northern California; four existing range complexes and facilities (the Northwest Training Range Complex, Naval Undersea Warfare Center Division Keyport Range Complex, Carr Inlet Operations Area and Southeast Alaska Acoustic Measurement Facility); and Navy pierside locations where sonar maintenance and testing occur, at Naval Base Kitsap Bremerton, Naval Base Kitsap Bangor and Naval Station Everett.

The Navy is proposing to continue to conduct training and testing activities, to include the use of active sonar and explosives, within the NWTT Study Area. Many of these training and testing activities have historically occurred in the NWTT Study Area and have been previously analyzed pursuant to the National Environmental Policy Act of 1969 and Executive Order 12114, Environmental Effects Abroad of Major Federal Actions.

The purpose of the Proposed Action is to ensure that the Navy accomplishes its mission to maintain, train and equip combat-

Subject: NOTICE OF AVAILABILITY OF THE NORTHWEST TRAINING AND TESTING (NWTT) DRAFT ENVIRONMENTAL IMPACT STATEMENT (EIS/OEIS)

ready naval forces capable of winning wars, deterring aggression and maintaining freedom of the seas. This mission is achieved in part by training and testing within the NWTT Study Area. The NWTT EIS/OEIS also supports the renewal of federal regulatory permits and authorizations for current training and testing activities and future activities requiring environmental analysis.

The Navy is holding eight (8) public meetings to inform the public about the Proposed Action and alternatives under consideration, and to provide an opportunity for the public to comment on the adequacy and accuracy of the analysis in the NWTT Draft EIS/OEIS. The public meetings will include an open house information session, during which time Navy representatives will be available to provide information and answer questions about the Proposed Action and Draft EIS/OEIS. A short presentation by the Navy will also take place during the meetings, and the public will have the opportunity to make oral and written comments to the official record. Comments will be accepted throughout the public meeting.

The public meetings will be held at the following locations and times:

Open House Information Sessions: 5-8 p.m. Navy Presentation: 6:30 p.m.

Date: Wednesday, February 26, 2014

Location: Oak Harbor High School Student Union Building

1 Wildcat Way Oak Harbor, WA

Date: Thursday, February 27, 2014

Location: Cascade High School Student Commons

801 E. Casino Road

Everett, WA

Date: Friday, February 28, 2014

Location: North Kitsap High School Commons

1780 NE Hostmark St.

Poulsbo, WA

Subject: NOTICE OF AVAILABILITY OF THE NORTHWEST TRAINING AND TESTING (NWTT) DRAFT ENVIRONMENTAL IMPACT STATEMENT/OVERSEAS ENVIRONMENTAL IMPACT STATEMENT (EIS/OEIS)

Date: Monday, March 3, 2014

Location: Astoria High School Student Commons

1001 W. Marine Drive

Astoria, OR

Date: Tuesday, March 4, 2014

Location: Isaac Newton Magnet School Gym

825 NE 7th St. Newport, OR

Date: Thursday, March 6, 2014

Location: Red Lion Hotel

Redwood Ballroom

1929 4th St. Eureka, CA

Date: Friday, March 7, 2014

Location: Redwood Coast Senior Center West Room

490 N. Harold St. Fort Bragg, CA

Date: Tuesday, March 11, 2014

Location: Southeast Alaska Discovery Center Lobby

50 Main St. Ketchikan, AK

A 60-day public comment period is open from January 24, 2014, to March 25, 2014, for the public to review the document and provide input. Comments may be submitted online at www.NWTTEIS.com, at the public meetings or by mail to:

Naval Facilities Engineering Command Northwest Attention: Ms. Kimberly Kler - NWTT EIS/OEIS Project Manager 1101 Tautog Circle, Suite 203 Silverdale, WA 98315-1101

All comments must be postmarked or received online by March 25, 2014, for consideration in the Final EIS/OEIS. All comments (oral or written) submitted during the 60-day public review period will become part of the official record on the Draft EIS/OEIS and will be responded to in the Final EIS/OEIS.

Subject: NOTICE OF AVAILABILITY OF THE NORTHWEST TRAINING

AND TESTING (NWTT) DRAFT ENVIRONMENTAL IMPACT STATEMENT/OVERSEAS ENVIRONMENTAL IMPACT STATEMENT

(EIS/OEIS)

For more information about the project or to download the Draft EIS/OEIS, please visit the website at www.NWTTEIS.com.

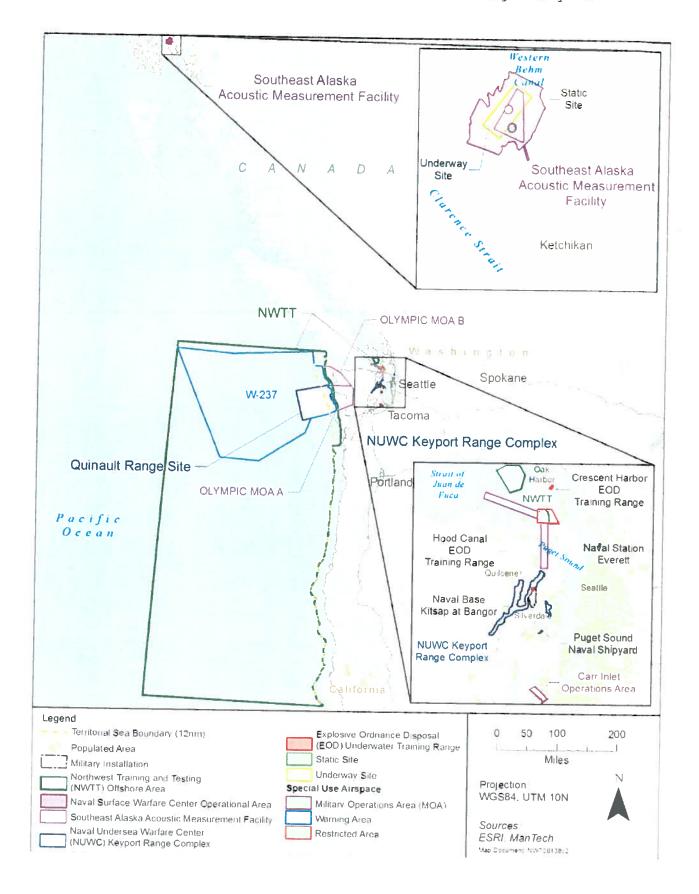
Sincerely,

L. M. FOSTER

By direction

Enclosure: 1. Figures of the NWTT EIS/OEIS Study Area

Enclosure 1: Northwest Training and Testing Study Area



Enclosure 1: Inland Waters of the Northwest Training and Testing Study Area

