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MEMO

DATE: February 10, 2022
TO: Mayor and City Council
FROM: Spencer Nebel, City Manager

SUBJECT: Status Report for the Eight-Week Period Ending Friday, February 4, 2022

It is hard to believe that eight weeks have passed since I last prepared a status report. With the preparation of the year-end report, materials for the goal setting, and writing the draft goals report for the Council, plus dealing with the regular packets, it seems that I have done a lot of writing in the last two months.

We continue to go through a significant period of change. Public Works Director, David Powell, has been with us just over half the year, and City Engineer, Aaron Collett, began his own employment with the city four months ago. We still are working on efforts to hire an Assistant City Manager/City Recorder to fill responsibilities that Peggy Hawker will ultimately be vacating, and now we have a new search for a Finance Director. These are significant changes in the Director level of the organization. Similar changes are occurring throughout the organization in each department, as well. We are currently in the process of filling 40 part-time and full-time positions in the City. This has been challenging since there are a greater number of jobs available than employees to fill them. This is impacting our ability to get certain things done. Economists are indicating that this may be the new normal for a number of years. I appreciate everyone's efforts to fill responsibilities to keep day-to-day activities moving forward.

I am concerned about issues that are stacking up that are not being handled on a day-to-day basis due to staffing challenges. We are looking at options to evolve into the new normal where higher employee turnover will likely be the norm. We are looking at a number of options, including retaining temporary housing for new employees since this has been a major hurdle for folks who have been made employment offers, but cannot find a place to live. We have implemented signing bonuses for hiring part-time positions with a second part of a bonus being paid after completion of three months of work. Interestingly enough, of the four part-time employees that were offered the signing bonus, only one stayed long enough to collect the second part of the bonus. These difficult trends are facing all employers. We will do our best to keep things moving in a positive direction.

Highlights of activities over the last four weeks include the following:

- I received an update on the Lincoln Water Alliance from Jeanne Nyquist and Shirlene Warnock. The Alliance is developing a report which will be distributed on the work that has been conducted by the Alliance to-date. The City initiated this a number of years ago in order to gain a better understanding of water issues in Lincoln County. For the past three or four years, Adam Denlinger at Seal Rock Water District, has been the fiduciary for this program. I look forward to seeing their report and will share that with Council once it is out.
- Mike Murzynsky and I had a meeting on financing Big Creek Dam with Piper Sandler & Co. We have developed certain scenarios to try to measure the impact of financing the dam utilizing a number of tools on local ratepayers or taxpayers. We will be using this data in our utility fund projections to determine what the impact on utility rates and/or tax rates would be. This information will be used to support different thresholds of local spending. We will be providing an update on this to Council in the next couple of months.
- Councilor Parker, Port Executive Director Paula Miranda, Port Operations Director Aaron Bretz, and I, met to discuss a marine debris initiative for Yaquina Bay. The Port indicated that responsibility for addressing these issues goes beyond the Port's responsibilities, since a lot of the lands where there are problems are not controlled by the Port. It was decided that this spring, Councilor Parker, and Aaron Bretz will do an inventory of problem spots to determine how the Port might participate in a collaboration to address marine debris issues in the bay.
- David Allen, Derrick Tokos, Peggy Hawker, Lance Vanderbeck, and I, met to refine the airport hangar development timeline and checklist. We have had a few struggles with developing the proper protocols for the hangar requests that are occurring at the airport. One issue the Committee was concerned about was an individual tying up a location by indicating interest in that location, but not signing a lease to develop it. We have laid out a timetable in which a spot will be reserved for a specific period of time to allow the applicant to commit to a lease that is approved by the City. This will require the applicant to take certain steps beyond expressing an interest before the City will reserve that spot for that individual for a potential hangar development.
- Held bi-monthly meetings with Jason Malloy and Lance Vanderbeck.
- Met with Bob Harvey and presented him with a retirement plaque for service as Assistant Fire Chief/Fire Marshal for the past five years.
- Peggy Hawker, Barb James, and I, followed up with a phone interview with Angela Handran, who was our top candidate for the Assistant City Manager/City Recorder position. Unfortunately, Angela opted to take another position. We decided to re-open the job posting to accept applications for this position to get a larger pool of candidates. We have one candidate from the last pool that we want to include in the next round of interviews. He has indicated his desire to participate in these next interviews, as well. We will be conducting phone interviews with this next batch of applicants to determine who we will be bringing to Newport for the full interview process.
- With Bob Harvey's retirement, Rob and I met to discuss the details of the Fire Department operations during Rob's out-of-state vacation over the holidays. Police Chief, Jason Malloy, has agreed to step in for any administrative decisions that

may have to be made during Rob's absence. Rob reviewed these plans with each shift.

- I am participating in the online ICMA High-Performance Leadership Academy, which is a virtual training session that takes place over a 12-week period. I have completed the first four-week segment, and I will be sharing some of the lessons learned from this at a later point.
- Held a capital projects meeting to get Aaron Collett on board for the role that Engineering plays in evaluating the various projects. There is a learning period for both Aaron Collett and David Powell, who have not been through the budgeting process as department heads. This helps to give a fresh look to our processes with both David and Aaron's feedback on the capital outlay budgeting process.
- Participated in a radio interview with Chief Malloy on KNPT Radio Show.
- Jason Malloy, Derrick Tokos, David Allen, Peggy Hawker, and I, met on a number of occasions to address the challenges and complaints we are receiving regarding homeless camping in Newport. We are also reviewing ordinances, which were presented to Council, on ways that we may be able to manage this difficult situation to reduce conflicts and complaints. Any solution we come up with must provide reasonable opportunities for people to sleep on public property. The Coos Bay model restricts camping from occurring in residential zoning districts and along US 101, but allows it in other commercial and industrial districts throughout Coos Bay. Each city is laid out differently and the same footprint is not necessarily transferrable from community to community. The concepts in the Coos Bay ordinance are worth exploring for possible implementation. We will need to have a legal camping ordinance on the books if we are going to do any enforcement at all.
- Mike Cavanaugh, Anita Albrecht, and I, met to discuss community gardens, and the role that the City should play in managing these facilities. We are exploring with the PUD about the potential of developing community gardens at the intersection of NE Big Creek Road and Harney near the water treatment plant. There is adequate space that can be developed at that location. In addition, we have had discussions with the Presbyterian Church who has also had discussions with Habitat for Humanity and Jeánné Anstine. The Church has not made any decisions on allowing a community garden on this property at this time. They are focusing on the Habitat project for the time being.
- Participated in a Transportation System Planning Project Advisory Committee meeting in both December and January. The planning process is finalizing the key policy decisions at their next meeting. This will then go to the Planning Commission and, ultimately to Council, for review and eventual approval. An update was provided to Council at a work session on the status of the plan.
- Held bi-monthly meetings with Richard Dutton and Mike Cavanaugh.
- Participated in a meeting with the Corp of Engineers regarding low-interest financing for Big Creek Dam, and potentially other projects, through the WIFIA program. The meeting was set up by Dig Deep Research to explore options for proceeding with Big Creek Dam financing.
- Barb James and I met with a candidate who is the former fire chief from Seal Rock, who is one of the applicants for replacing Bob Harvey as Assistant Fire Chief/Fire Marshal.

- Held bi-monthly meetings with Derrick Tokos and Barb James on their departmental issues.
- Prepared a year-end report for 2021 which was presented to Council at the first meeting in January.
- Held a bi-monthly meeting with Laura Kimberly to discuss Library operations.
- Jason Malloy interviewed me for the KNPT Radio Show regarding the 2021 year-end report. Jason does a pretty good job of radio interviews!
- City Hall was closed half the day on Thursday, December 23, and all day on Friday, December 24, in observation of the Christmas holiday.
- Barb James, Jason Malloy, and I, met regarding the use of a third party for conducting criminal background checks. The Police Department is limited in what it can do for background checks relating to non-criminal activities such as checks for non-law enforcement employees, or out-of-state records. We will move forward with two companies on our next round of applications. From this, we will determine what company will provide the best information in the shortest period of time for criminal background checks.
- Held a bi-monthly meeting with Jason Malloy to discuss Police Department issues.
- Prepared agenda materials for Council meetings held on Monday, January 3.
- City Hall was closed on Friday, December 31, in observation of the New Year's Holiday.
- Held a routine Department Head meeting.
- Participated with Council in a work session, which included interviewing applicants for the Budget Committee, hearing an update on the Library Strategic Plan, and discussion on potential changes to the City's camping ordinance addressing items not consistent with State law and Federal Court decisions.
- Participated in a regular City Council meeting on January 3.
- Was interviewed by Cheri Brubaker on her one-hour radio show regarding the City's 2021 year-end report.
- Mike Murzynsky, Linda Wertman, David Allen, and I, met to continue our work on the development of a comprehensive purchasing policy for the City.
- Held a bi-monthly meeting with Derrick Tokos to discuss departmental issues.
- Derrick Tokos and I met with Brett Fox and Mike Robinson regarding the development of Mr. Fox's site at SW 2nd Street and US 101. Anita Albrecht developed a conceptual landscaping plan for this property for their review. They will also set up a time to talk to the County regarding options of how they will tie in their driveway into the 2nd Street right-of-way. There are a number of options to address regarding the sidewalk, and other infrastructure, where the County office building meets Mr. Fox's building site.
- Prepared materials for the Council's goal setting session for the January 10 meeting.
- Interviewed Peggy Hawker on the KNPT Radio Show.
- Met with Will Stole, President of the Volunteer Association for the Fire Department, to discuss his efforts at cleaning up the bylaws and governing structure for the Association. There are some gray areas relating to the role of the Volunteer Association. The volunteer firefighters and the paid firefighting staff need to be better defined. I think his efforts to clean up the legal status of the Association is a

good effort that may better define the role of the Association in supporting the Fire Department.

- Held a bi-monthly meeting with Mike Cavanaugh to discuss various Parks and Recreation issues.
- Met with Rex Capri regarding concerns that he has with the wetlands that exist in the ravine across the street from his home on 16th Street. Rex owns property on both sides of the street, and believes that over the years the City has taken certain steps that created additional wetlands on his property. I indicated that City Engineer, Aaron Collett, will meet with him on site to review his situation at that location.
- Met with David Allen, David Powell, and Andrew Grant to discuss the OSHA citation at the wastewater treatment plant. This was in regard to lockout policies for several components at the plant. Policies have been developed for the critical units that were part of the complaint reviewed by OSHA, with additional policies being put into place for other facilities. We will need to look at this on a city-wide basis, since we may have other similar issues at other facilities, as well.
- Met with Bill Barton who remains interested in trying to play a role in helping with homelessness issues in Newport. I updated Mr. Barton on a number of ongoing discussions that are occurring on this, and the funding that the City has set aside along with potential ARPA funding, to help serve as the catalyst to try to make a meaningful difference in this very substantial problem. Bill Barton has spent time with Grace Wins to try to understand their operation, and has also spent time with Jovita Ballentine, Community Service Officer, as well. I have indicated we will keep him in the loop as to any next steps regarding solutions for this problem in which he may be able to play a role.
- For three Saturdays in January, I have met individually with members of the Fire Department to discuss their ideas and concerns regarding the operation of that department. After the final meeting on February 4, I will be compiling a draft report. I will meet with Chief Murphy, and then again with the individual shifts, to discuss my preliminary thoughts on how to move forward with various issues within that department. I appreciate the honest and frank discussions with each of the members of that department.
- Participated in the day-long goal setting session on Monday, January 10 with City Council. I appreciate everyone's active involvement in this process. It was good to physically get together for this purpose.
- Held bi-monthly meetings with Rob Murphy and Lance Vanderbeck.
- Derrick Tokos, Aaron Collett, and I, got together to prepare a report and recommendation to Council on how the City could use its ARPA funding that we received from the federal government. We met to review the priorities identified by Council for the use of these funds. This report was brought to a subsequent City Council meeting where the Council accepted the final allocation of ARPA funds.
- Met with Rob Murphy and Del Lockwood on utilization of the Everbridge notification system by the City. This system is available to the City and could be used for both internal messages to employees, as well as community messages that are of a non-emergency nature. We will discuss this further on how we can utilize this source.

- Participated in the OCCA annual meeting. Provided an update on various projects the City is working with in conjunction with OCCA. This was done as a hybrid meeting with both in-person attendants and remote participation. Overall, OCCA has done a good job in maintaining Visual Arts programming through COVID-19, and is working to ramp up live performances at the PAC.
- Held a bi-monthly meeting with Laura Kimberly regarding Library issues.
- Laura Kimberly and I met with MaryKay Dahlgreen, Lincoln County District Library Director, to discuss the Library District's plans to adopt a new formula for financial assistance to Libraries outside the district. This would be a formula based on the use of each city library by district residents. (Please note that the Cities of Newport, Toledo, and Lincoln city are not included in the Library District). The revised formula is going to significantly reduce the funding for the Newport Library. The Library Board and I have forwarded information to the District Library expressing concerns about the new formula. The District will be making the presentation to Council on this issue at a future Council meeting.
- Barb James, Rob Murphy, and I, met to put together information for Steve Baugher to get the costs of the firefighter proposals being vetted by the City to prepare for mediation.
- David Powell and I met with the water department to discuss the filling of the senior position in the department. We have re-posted, and I encouraged, internal applicants to consider this position. We have closed that position but did not receive any internal applications. We will be continuing with interviews with input from the water department crews on this position.
- Held a bi-monthly meeting with Peggy Hawker to catch up on issues that we are working on, including the steps needed to get notice out to businesses regarding the restrictions on plastics and polystyrene single-use food service items.
- Provided Councilor Kaplan with an overview of the Big Creek Dam project, and a tour of the water plant and dam. Once our COVID-19 numbers drop, I would like to do a more comprehensive tour of city facilities for the entire Council. We have not done this since COVID-19, and it is helpful for Council to be fully aware of the status of various operations throughout the city as part Council's role in governing the city.
- Had a meeting to finish the finances for the OCCMA Host Committee of the ICMA Annual Conference in October. The remaining task is to complete the final report for the Committee, then I will be able to close out this chapter of responsibility for OCCMA. The response from ICMA was very positive with people being very happy to be physically together for the conference. ICMA gave our Host Committee high marks for the efforts at coordinating various aspects of this conference. Overall, attendance was approximately half of the attendance for the last in-person conference in 2019 in Nashville, Tennessee. However, there was a virtual conference option which picked up about two-thirds of the folks that did not personally attend. I was very pleased to be able to serve as one of the three Host Committee Co-chairs for Oregon working with ICMA to pull off this conference.
- Held a meeting with Jason Holland, OCCA Executive Director, to review various activities between the City and OCCA. There will be a presentation to Council on the efforts to reduce the scope of the PAC improvement project to fit within the available funding for that project. Council will have to authorize the continuation of

the actual improvement since this will be run as a City project. It appears there can be significant improvements to allow for multiple activities occurring at the PAC at one time, which was one of the primary goals of the efforts for Phase VII of this project.

- Derrick Tokos, Aaron Collett, David Powell, and I, met to develop a list of projects that were requested by Representative Gomberg for potential funding by the State legislature. This list has been provided to Representative Gomberg and the State legislature for consideration during the short session.
- Prepared agenda items for the January 18 Council meetings.
- City Hall was closed on Monday, January 17, in observation of Martin Luther King Day.
- Held a routine department head meeting.
- Participated in a Short-term Rental Ordinance Implementation Work Group meeting to review recent activity, and to determine whether a permanent role should be established for this group in the future.
- Participated in the Council work session which included interviewing additional applicants for the Budget Committee, introduced the use of Enterprise Fleet to update the City's motor pool, and reviewed items for the agenda for the joint meeting with the County Commission. (This meeting was scheduled for the first week of February, but the County rescheduled until after they can get their new administrator in place)
- Took vacation days from Wednesday, January 19, through Tuesday, January 25. Originally, we had planned to go to New Mexico and visit friends from the Midwest, who are building a winter home there. However, with the spike in COVID-19 cases, we opted not to make the trip, and instead, had a great stay at home, and was able to work to get things organized in our basement!
- Peggy Hawker held the first meeting of the implementation group on single-use plastics and polystyrene food service items. Peggy got the letter and supporting materials out to businesses that would be affected by this new ordinance, as required by the guidelines resolution that Council approved. The Work Group reviewed these items before being sent out.
- Held a bi-monthly meeting with Laura Kimberly on Library issues.
- Richard Dutton, Derrick Tokos, David Allen, and I, met to discuss the development of an agreement between Wave and the PUD for a joint project that includes allowing the PUD to use one of the City's under-bay conduits in exchange for upgrading the city's fiberoptic connections. During the discussion, it was decided it would be better to have separate agreements between the City and the other agencies involved. We are going to present these concepts to both Wave and the PUD, and if they are supportive, we will go before Council for approval.
- Mayor Sawyer and I met with Cascades West Council of Governments (COG) Executive Director, Ryan Vogt, for an update of COG's activities, and understanding what priorities the City may have for COG in the future. We also encouraged Ryan to do prepare a presentation to Council at an upcoming Council meeting.

- Jason Malloy, Derrick Tokos, Peggy Hawker, and I met, regarding the Roby's RV overnight parking situation at the Ernest Bloch Wayside. This is another issue that will be pertinent to talk about as we revise our camping ordinance.
- Peggy Hawker, Barb James, and I, participated in the Deputy City Recorder interviews based on the latest round of applicants. We initially had five applicants. Unfortunately, two have withdrawn their applications, so we interviewed three applicants via phone. We are doing a follow-up interview with one of the applicants for this position.
- I chaired a Yaquina Bay Economic Foundation (YBEF) meeting on Wednesday, January 26.
- Rob Murphy and I reviewed the RFP to evaluate the benefits and disadvantages of considering the creation of a Newport Fire District. This District would include the City, Rural District, and possibly the City of Depoe Bay. A report to Council was provided at the February 7 work session.
- The International Association of Firefighters (IAFF) Local 4169 President, Andy Parker, and I met to try to address a number of issues prior to mediation which occurred on January 31. We were able to get several items off the table to shorten the list for this mediation.
- Participated in the Transportation System Planning Project Advisory Committee meeting on January 27. At this meeting, a number of specific comments were reviewed. In these cases, if the Committee does not have a clear consensus on how to proceed with a specific recommendation, they will come to the Planning Commission and Council providing the different perspectives on those particular issues. Fortunately, for most issues a consensus has incurred. There will be one more meeting of the Committee before the recommendation goes to the Planning Commission, and ultimately, to the City Council.
- Held a special meeting of the department heads to follow-up from our department head retreat in December. The goal of this effort is to examine our existing organizational culture and determine how the City can strengthen issues to develop a stronger and healthier organizational culture in the future. This is critical for maintaining employees and being attractive to new employees. This could include a wide range of issues, including modernizing our benefit structure, internal training opportunities for encouraging advancement within the organization, looking at flexible and remote work schedules, examining our hiring processes, and other similar efforts. Overall, we had a very good conversation and we will be identifying specific tasks. I am going to ask people to participate in small groups to work through these issues to develop an internal strategic plan, with the goal of creating a healthy and attractive organizational culture for the City.
- Participated in an OCCMA Board of Directors meeting. My term as past-president was supposed to expire in December. The current Past-President, Steve Powers, who is the City Manager of Salem is retiring, and according to the bylaws, I will remain Past-President for the 2022 year.
- Mark Wolf, Rob Murphy, Barb James, David Allen, and I, participated in a meeting to prepare for our meeting with the IAFF Union and State Mediator to attempt to mediate a contract between the two parties.

- Barb James, Rob Murphy, Mark Wolfe, and I, met with Mediator, Steve Irvin, to review the status of negotiations with the firefighters in preparation for mediation on January 31.
- Barb James, Rob Murphy, and I, spent the day in mediation with the firefighters and State Mediator, Steve Irvin of the Employment Relations Board, to move through the list of outstanding issues between the parties. Headway was made on a number of issues through the course of the day. There are substantial issues still outstanding. Council was updated during an executive session on February 7 of the status. Mediation will continue on February 18.
- Met with Department Heads to work out way through the list of capital projects.
- Held bi-monthly meetings with Richard Dutton from IT, Derrick Tokos from Community Development, Dave Powell from Public Works, Barb James from HR, and Aaron Collett from Engineering.
- Rob Murphy, Barb James, and I, reviewed the list of applicants for Assistant Fire Chief/Fire Marshal. Interviews for this position have been scheduled.
- A department head meeting was held on the status of the overall budget process. This will be complicated with Finance Director, Mike Murzynsky's, resignation. Mike's last day is February 11. Steve Baugher will be serving as Interim Finance Director as we go through the process of recruiting and hiring a new Finance Director for the City. In addition, we reviewed the financial projections with the department heads, and I suggested that they try to keep expenses in line with current obligations. That being said, there are needs that go beyond what we are currently spending. Department Heads can request funding above current levels, but that is an exception.
- Councilors Goebel and Jacobi and I met with Rich Belloni from the Lincoln County School District regarding potential alternative sites for soccer field development. The District would like to discuss the City assisting with the development of a school site. If the City assists with this, the school would take responsibility for maintaining the site after it is constructed. We discussed the possibility of upgrading an existing grass field with artificial turf so that the ability to play on the field would be more extensive than what could be done on a natural field. I will be meeting with staff on this issue to see if a collaborative arrangement with the District might be more beneficial than trying to develop a field at Agate Beach, which is the current plan.
- Derrick Tokos and I met with the Oregon Department of Forestry (ODF) regarding the possible acquisition of the City's north fire station. An initial appraisal has been done along with cost estimates for the City's share of this building. We will need to sit down internally to review what our current space needs are, and what our space needs in the future will be. The cost of the space currently exceeds the value of the building and property. We would like this to be close to a wash as we can get. Once we review this internally, we will provide comments back to ODF. If we are on the same page, we will be presenting this back to Council for review. ODF is still working with the private property owner for purchases of property, as well. If the deal with the private property owner does not go through, ODF will not be interested in acquiring the City's property, since it will not be enough space to accommodate the proposed facility on City land.

- Mayor Sawyer, Peggy Hawker, Brent Gainer, and I, met with Judy Kuhl, Ashley Garner, and Florence Pourtal regarding the Loyalty Days Parade. The Committee is trying to determine what level of event they may be able to have this year. They would like to do something, even if they do not sponsor the carnival or the reception, in the Loyalty Days princess festivities. In the end, the recommendation of the Loyalty Days representatives is that they only focus on the parade. This has the lowest number of restrictions and can be done relatively economically. One of the challenges will be lining up enough volunteers to control intersections. One recommendation was to shorten the parade so that it ends just before US 20 and 101. This eliminates a number of tricky detours in intersections that have to be set up. The Loyalty Days group was going to discuss these modified plans with the Committee.
- Met with Jason Holland and Tom Webb from OCCA, and Judy Kuhl from the Chamber of Commerce, to discuss the use of room tax funds for marketing various VAC and PAC activities in Newport. Judy was supportive of utilizing funding for this purpose. We discussed the value of having all this branded as Discover Newport, with Fox and Crown working to deal with the branding issues for advertisements. There will be a follow-up discussion about what types of events would be suitable for marketing utilizing the room tax funds.
- Met with Jim McLaughlin who is leaving the wastewater treatment plant. I thanked him for his service to the City over the past 20 years.
- Completed the meetings scheduled with the individual firefighters on Saturday, February 5. I appreciate the time each of them spent to meet with me. Each of these meetings took anywhere from 50 minutes to an hour-and-a-half. It was great getting direct feedback on various issues within that department.

Upcoming Events:

- I will be out of the office taking a vacation day on Monday, February 14.
- City Hall will be closed Monday, February 21, in observation of Presidents' Day. The Council meetings will be held Tuesday, February 22.
- The preliminary budget meeting for the Budget Committee will in Council Chambers on Tuesday, March 1 at 6 PM.
- The Annual Spring Conference is scheduled for April 21 and 22, at the Eastern Oregon Trade and Events Center in Hermiston, Oregon. Hopefully, COVID-19 will allow this conference to move ahead. Council members are encouraged to participate in this conference.
- The first Budget Committee meeting will be held in Council Chambers at 6 PM on Tuesday, April 6.
- The second Budget Committee meeting will be held in Council Chambers at 5 PM on Tuesday, May 17.
- The third Budget Committee meeting will be held in Council Chambers at 6 PM on Tuesday, May 24.
- City Hall will be closed Monday, May 30, in observation of Memorial Day.
- City Hall will be closed Monday, July 4, in celebration of Independence Day. We will only have one Council meeting in July which is scheduled for July 18.

- Wednesday, July 20 through Friday, July 22, I am planning to attend the OCCMA Summer Conference at Eagle Crest in Redmond, Oregon.
- July 25 through August 5, I plan to be on vacation. I have been excused from the August 1 City Council meetings.
- City Hall will be closed Monday, September 5, in observation of Labor Day. The Council meetings will be held Tuesday, September 6.
- September 17 through September 21, I plan to attend the 108th Annual Conference in Columbus, Ohio. I have been excused from the City Council meetings.
- October 5-7 is the Annual League of Oregon Cities Conference in Bend. Council members are encouraged to participate in this conference.
- City Hall will be closed Friday, November 11, in observation of Veterans' Day.
- City Hall will be closed Thursday, November 24, and Friday, November 25, in observation of the Thanksgiving holiday.
- City Hall will be closed half day on Friday, December 23, and all day on Monday, December 26, in celebration of the Christmas holiday.
- City Hall will be closed on Monday, January 2, 2023 in observation of the New Year's holiday. The organizational meeting for Council will be scheduled for 5 PM on Tuesday, January 3, 2023, with a regular meeting to follow.

Attachments:

- Attached are communications I have had with Billie Jo Smith on the effort to look at Rocky Creek and other longer-term water solutions. I have indicated to Billie Jo and Penelope Kaczmarek that the City is committed, and has no other reasonable choice, then to proceed with the Big Creek Dam project. If their interest is in dealing with water availability in the long-term future, there is value to having these discussions.
- Attached is a letter from AT&T addressing appreciation for the Community Development and Planning staff for their guidance, support, and professionalism in working through various issues to enhance and expand connectivity for AT&T customers.
- Attached is the room tax report through November, 2021. The room tax increase went into effect in September. We continue to see growth in this revenue.
- Attached is the State of Oregon Labor Market Information for Northwest Oregon. Unemployment numbers continue to improve with the greatest growth of new jobs during the past year being in leisure and hospitality and local public education.

I hope everyone has a great week.

Respectfully Submitted,



Spencer R. Nebel, City Manager

cc: Department Heads

Spencer Nebel

From: Billie Jo Smith <bjsmith42@hotmail.com>
Sent: Wednesday, January 12, 2022 6:16 PM
To: Spencer Nebel
Cc: Penelope Kaczmarek
Subject: Re: Lincoln County Water System Alliance

Spencer,

Thank you for your thoughtful response and suggestions for the Alliance documents. I'm working on possible edits for the resolution and flyer information and will forward my ideas to you.

Billie Jo

From: Spencer Nebel <S.Nebel@NewportOregon.gov>
Sent: Tuesday, December 28, 2021 9:50 AM
To: 'Billie Jo Smith' <bjsmith42@hotmail.com>
Cc: Penelope Kaczmarek <penkaczmarek@gmail.com>
Subject: RE: Lincoln County Water System Alliance

To Billie Jo and Penelope:

I apologize for the time it has taken me to provide feedback on the water system alliance. As you know, the City Council is committed to address dam safety issues with the Big Creek Dam. After evaluating various options, the City Council has made the decision that the City needs to go forward with the replacement of the seismically substandard dams with a new Big Creek Dam. I think it would help anyone reviewing your materials - and especially the public - to clarify that you are envisioning a regional approach to long-term water planning that does not supersede water development projects currently underway by local entities to meet immediate and mid-term needs. I suggest working that concept into your documents.

Newport's City Council has placed a high priority on replacing the Big Creek Dams (BCD). These dams have been determined to be potentially unsafe (lower dam) and unsafe (upper dam) by the State Dam Engineer. It is critical that we address this urgent, immediate need to secure our water supply, provide safety for the community, and ensure economic viability. We have studied this issue thoroughly. We need to now act. The risk to Newport is too high to wait for development of a long-term regional approach.

Our City Council also values long-term planning and recognizes the need to work together with partners to address the big issues that face us as a region. We can concurrently plan for both short and long-term needs. Projects currently being developed by local entities can build a foundation for the longer-term solution.

I would not be able to recommend that the Council consider the resolution (and flyer) in its current form. The Newport City Council may be willing to consider these concepts with certain modification being made. Following are some suggestions for the draft documents that you provided me.

- Flyer: Leverage the opportunity to educate citizens and the region about the need to support both current and long-term water planning. Clarify that the concept of the LCWSA builds on - and does not supersede - current water planning efforts including the City's efforts with the Big Creek Dams.
- Resolution:

- o Provide a similar clarification in your draft resolution (i.e. LCWSA concept doesn't supersede current water projects)
- o Governance structure for the LCWSA: Allow flexibility for the governance structure to be shaped by the partners who sign on.

Also, if our Council is favorable to this concept, they would likely make their support conditional upon significant participation by other entities so that Newport doesn't end up carrying the cost for a regional solution. This was the result of the last effort with Rocky Creek. I suggest working a provision into the resolution that set a minimal number (including an amount threshold) of paying partners before the resolution becomes effective.

Finally, I wonder whether creating a new alliance is the best approach or should this issue be handled by the Mid-Coast Water Planning Partnership or other existing entity. I am not sure about the fit, but some explanation of why a new collaboration needs to be formed would be beneficial.

Thanks, again, for including me in this discussion. These are my thoughts for your consideration. Please keep me in the loop as you continue your work on this important issue. Also, please note that these comments are my observations, not necessarily the Council's viewpoint on this matter. While it is safe to say that discussions are ongoing with the City of Newport, there has been no decision as to whether the City would participate in this effort (either as is or as modified) at this time. Let me know if you have any questions.

Spencer R. Nebel

City Manager
City of Newport, Oregon 97365
541-574-0601
s.nebel@newportoregon.gov

From: Billie Jo Smith <bjsmith42@hotmail.com>
Sent: Tuesday, December 21, 2021 11:30 AM
To: Spencer Nebel <S.Nebel@NewportOregon.gov>
Cc: Penelope Kaczmarek <penkaczmarek@gmail.com>
Subject: Fw: Lincoln County Water System Alliance

[WARNING] This message comes from an external organization. Be careful of embedded links.

Spencer,

We need to get moving on the Lincoln County Water Systems Alliance (LCWSA). I'm hoping the City Councils will approve their membership by resolution during January so that member contributions can be included in annual budgets. So far, Lincoln City, Toledo, Newport, and Siletz have responded positively, but the Councils have yet to discuss and vote on a resolution. We are waiting for Yachats to get their new City Manager on board, and will be approaching Waldport during the first week of January. Penelope and I will be happy to attend Council meetings to answer questions and/or present the concept.

I will be away during the holidays. Would you be able to share your insight on the topics in the email below with me during the first week in January? I will be available on January 4, 6, and 7. This could be on the phone, or in person.

Best wishes for the holidays to you and Angela.

Billie Jo

bjsmith42@hotmail.com

541-961-8335

541-336-9578

From: Billie Jo Smith
Sent: Saturday, November 20, 2021 8:59 PM
To: Spencer Nebel <s.nebel@newportoregon.gov>
Cc: Penelope Kaczmarek <penkaczmarek@gmail.com>
Subject: Lincoln County Water System Alliance

Spencer,

We're moving ahead with plans for the Lincoln County Water Systems Alliance (LCWSA) and receiving positive responses from key participants. We've developed some draft materials and would appreciate feedback from you.

Penelope talked with Cynthia Jacobi about Newport's water advisory group. This concept should fit well with the LCWSA, as a member of your advisory group could represent Newport on the LCWSA, serve as a knowledgeable representative sharing Newport's water needs and proposed plans, assuring that Newport's needs and plans will be included in the LCWSA plans and funding proposals, and providing the communication link between the LCWSA, the advisory group, your staff, and City Council. I hope other cities will follow Newport's example.

I've attached an updated information sheet on the LCWSA. It is a 2-pager, front and back, instead of the folded flyer. I'm hoping it will be more useful when presenting the Alliance to your Council and others.

I've also attached a draft resolution. It is definitely a draft and can be edited to fit Newport. Your response and suggestions will be appreciated.

We have asked Lincoln City if they will be willing to serve as the Fiscal Agent for the Alliance. We must have one, as the Alliance is a coalition, not a government organization or 501(C)(3). They are considering the request. If they can't do it, I will approach the COG. If you have other suggestions for a Fiscal Agent, it will be appreciated. The Agent would receive and disburse member contributions and grant funds.

Also, I need your ideas on how we should apportion the membership contributions for the Phase I professional study. It could be by number of connections, or possibly by average consumed gpd. I have attached data from the Department of Water Resources for the cities and main water districts. If we go by connections, it would be approximately \$2.38 per connection. If by water consumed gpd, it would be approximately \$0.007 per gallon. I've attached a chart with this information for you. We will probably get contributions from the County and the Tribe, too, but I have not included those in this chart. Some of the numbers are pretty high, and I don't know much about the level of funding that water districts have available. Please let me know your

opinion on these contribution levels. Do you think cities and districts can afford the estimates? Should we leave the membership levels open and apply for some grant funding?

As I consider how the Alliance will function, it seems that we will really need a paid facilitator/ organizer. That cost isn't included in the professional study budget. I believe we could get someone part time for less than \$10,000 per year. Maybe the Tribe and/or County contributions could cover this cost. I'm thinking that we would need between 10 to 20 hours per month. Please share your thoughts on this.

With the new infrastructure money coming from DC, a big chunk is for clean water systems in Oregon. We need to get moving ASAP, in order to develop good proposals for Lincoln County.

I'm looking forward to hearing from you, and hope all is going well in Newport.

Billie Jo

bjsmith42@hotmail.com

541-961-8335

541-336-9578



Amir Johnson
Director - Oregon
External Affairs

AT&T Services, Inc.
819 SW Oak Street
Portland, OR 97205

T: 310.503.7706
aj771c@att.com
www.att.com

December 13, 2021

Dean Sawyer
Mayor
City of Newport
169 SW Coast Hwy
Newport, OR 97365

VIA EMAIL: d.sawyer@newportoregon.gov

RE: Thank You

Dear Mayor Sawyer:

As 2021 comes to a close, AT&T would like to thank the City of Newport for its efforts to enhance and expand connectivity in our communities. Each project improves our network, and the roll out of FirstNet helps to keep people safe by enhancing the effectiveness of public safety communications. Every year is different, and this past year presented new and unexpected challenges that required resilience and new ways of working together.

The guidance and support of the City of Newport is essential to our success, and we are grateful for the opportunity to work with the Community Development & Planning staff. We'd like to especially acknowledge Derrick Tokos for his exceptional professionalism and dedication to service, as well as his guidance regarding a new planned wireless facility in the city.

We look forward to working together with the City of Newport in 2022 as AT&T continues to enhance wireless connectivity and communications throughout the city.

Sincerely yours,

A handwritten signature in blue ink, appearing to read "A. Johnson".

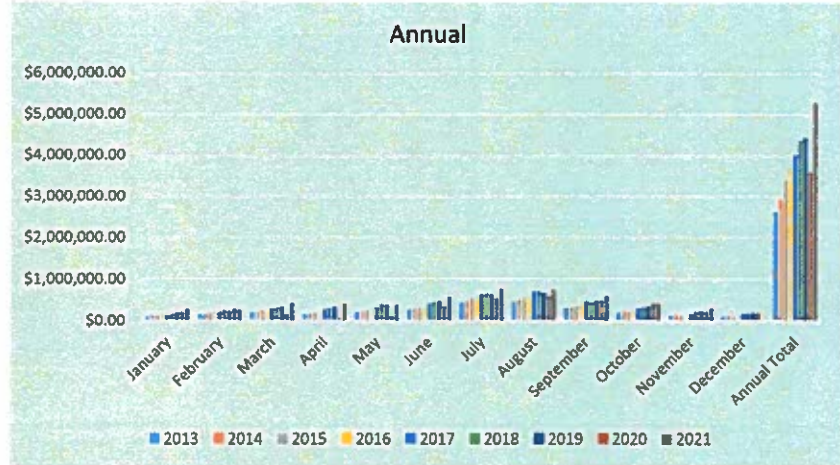
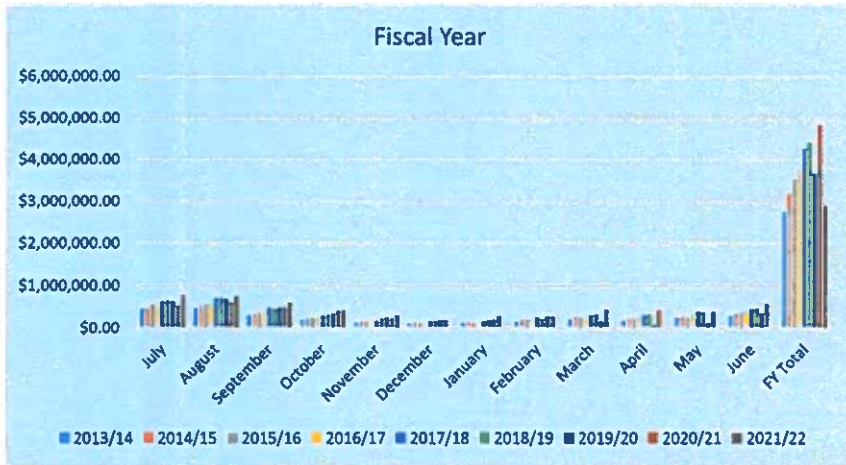
Amir Johnson
Director – Oregon
External Affairs

cc: Derrick Tokos, Community Development Director
Spender Nebel, City Manager

**City of Newport
Transient Room Tax Revenues**

Year	January	February	March	April	May	June	July	August	September	October	November	December	Annual Total
2013	\$83,184.51	\$141,633.06	\$178,064.51	\$154,503.00	\$195,365.45	\$259,548.39	\$444,169.46	\$456,729.65	\$295,883.53	\$191,428.48	\$123,685.96	\$96,186.95	\$2,620,382.95
2014	\$112,858.62	\$139,593.00	\$202,016.86	\$166,678.21	\$231,989.22	\$289,428.34	\$465,457.39	\$511,604.77	\$319,624.95	\$220,367.99	\$138,583.98	\$119,764.20	\$2,917,967.53
2015	\$139,629.92	\$197,010.76	\$256,344.88	\$203,965.32	\$262,295.84	\$338,007.86	\$561,202.62	\$560,764.51	\$372,344.48	\$246,641.74	\$156,947.04	\$121,037.92	\$3,416,192.89
2016	\$135,107.00	\$217,380.90	\$266,903.06	\$243,529.85	\$274,872.43	\$381,796.25	\$574,251.28	\$558,401.36	\$429,246.54	\$274,706.47	\$177,668.76	\$131,917.15	\$3,665,781.05
2017	\$125,038.18	\$202,268.77	\$278,868.82	\$263,339.76	\$316,756.56	\$409,197.10	\$623,424.13	\$694,943.01	\$466,563.08	\$289,383.24	\$167,058.46	\$164,140.62	\$4,000,981.73
2018	\$162,767.32	\$253,574.49	\$306,388.31	\$290,310.54	\$393,963.42	\$445,221.83	\$649,635.76	\$701,808.77	\$443,728.10	\$315,673.07	\$219,716.35	\$180,153.73	\$4,362,941.69
2019	\$184,418.23	\$219,605.46	\$332,683.75	\$323,340.09	\$377,720.56	\$460,188.96	\$627,977.95	\$661,240.59	\$471,051.89	\$344,950.90	\$242,660.16	\$183,004.13	\$4,428,842.67
2020	\$194,455.16	\$277,305.68	\$149,324.49	\$54,212.59	\$111,348.26	\$346,688.94	\$534,222.33	\$589,310.27	\$482,412.08	\$417,188.47	\$227,533.90	\$185,573.76	\$3,569,575.93
2021	\$293,464.61	\$267,452.04	\$434,427.41	\$420,347.00	\$391,327.29	\$580,457.67	\$782,076.68	\$769,390.42	\$609,808.29	\$424,549.27	\$321,969.71		\$5,295,270.39

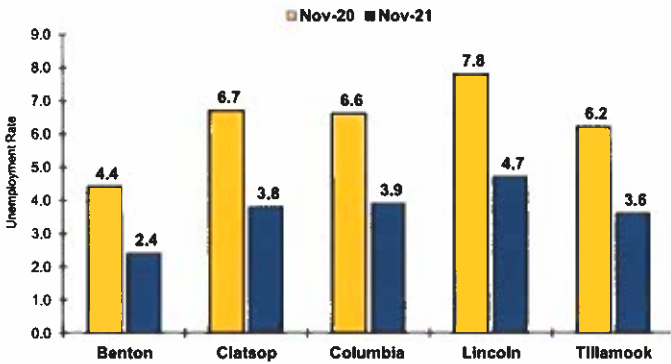
Fiscal Year	July	August	September	October	November	December	January	February	March	April	May	June	FY Total
2012/13	358,654.09	397,793.57	291,276.65	176,983.38	103,783.64	85,311.51	\$83,184.51	\$141,633.06	\$178,064.51	\$154,503.00	\$195,365.45	\$259,548.39	\$2,426,101.76
2013/14	\$444,169.46	\$456,729.65	\$295,883.53	\$191,428.48	\$123,685.96	\$96,186.95	\$112,858.62	\$139,593.00	\$202,016.86	\$166,678.21	\$231,989.22	\$289,134.34	\$2,750,354.28
2014/15	\$465,457.39	\$511,604.77	\$319,624.95	\$220,367.99	\$138,583.98	\$119,764.20	\$139,629.92	\$197,010.76	\$256,344.88	\$203,965.32	\$262,295.84	\$338,007.86	\$3,172,657.86
2015/16	\$561,202.62	\$560,764.51	\$372,344.48	\$246,641.74	\$156,947.04	\$121,037.92	\$135,107.00	\$217,380.90	\$266,903.06	\$243,529.85	\$274,872.43	\$381,796.25	\$3,538,527.80
2016/17	\$574,251.28	\$558,401.36	\$429,246.54	\$274,706.47	\$177,668.76	\$131,917.15	\$125,038.18	\$202,268.77	\$278,868.82	\$263,339.76	\$316,756.56	\$409,197.10	\$3,741,660.75
2017/18	\$623,424.13	\$694,943.01	\$466,563.08	\$289,383.24	\$167,058.46	\$164,140.62	\$162,767.32	\$253,574.49	\$306,388.31	\$290,310.54	\$393,963.42	\$445,221.83	\$4,257,738.45
2018/19	\$649,635.76	\$701,808.77	\$443,728.10	\$315,673.07	\$219,716.35	\$180,153.73	\$184,418.23	\$219,605.46	\$332,683.75	\$323,340.09	\$377,720.56	\$460,188.96	\$4,408,672.83
2019/20	\$627,977.95	\$661,240.59	\$471,051.89	\$344,950.90	\$242,660.16	\$183,004.13	\$194,455.16	\$277,305.68	\$149,324.49	\$54,212.59	\$111,348.26	\$346,688.94	\$3,664,220.74
2020/21	\$534,222.33	\$589,310.27	\$482,412.08	\$417,188.47	\$227,533.90	\$185,573.76	\$293,464.61	\$267,452.04	\$434,427.41	\$420,347.00	\$391,327.29	\$580,457.67	\$4,823,716.83
2021/22	\$782,076.68	\$769,390.42	\$609,808.29	\$424,549.27	\$321,969.71	\$0.00							\$2,907,794.37



Northwest Oregon Economic Indicators

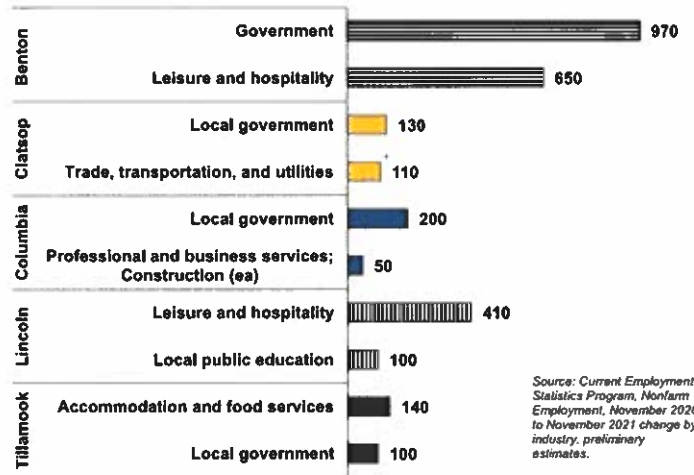
For Benton, Clatsop, Columbia, Lincoln & Tillamook Counties December 2021

The Number of Unemployed in NW Oregon Has Fallen by About 3,000 (Down 41%) Since November 2020 and by About 3% Since Last Month (Preliminary Estimates, Not Seasonally Adjusted)



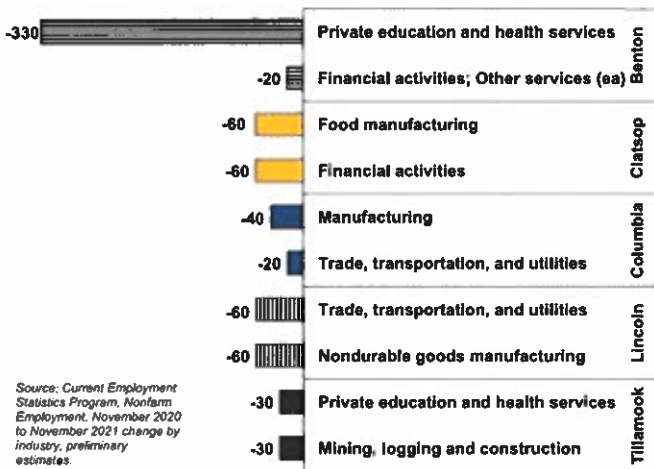
Source: Oregon Employment Department Local Area Unemployment Statistics Program

Industries Adding the Most Jobs in Past Year by County



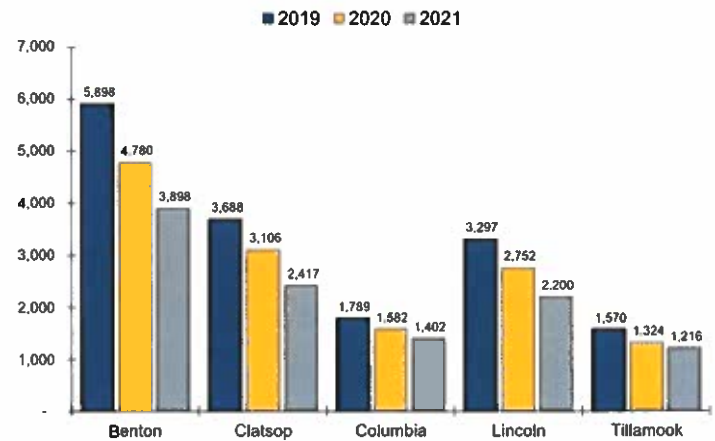
Source: Current Employment Statistics Program, Nonfarm Employment, November 2020 to November 2021 change by industry, preliminary estimates.

Industries Losing the Most Jobs in Past Year by County



Source: Current Employment Statistics Program, Nonfarm Employment, November 2020 to November 2021 change by industry, preliminary estimates.

Average Number of Hires in NW Oregon Counties



Source: Oregon Employment Department and U.S. Census Bureau Quarterly Workforce Indicators annual average data.

For more economic or labor market data or to be added to this monthly email list, contact:

Shawna Sykes, Workforce Analyst/Economist

Cell: 503.396.7355

E-mail: Shawna.L.Sykes@employ.oregon.gov

Erik Knoder, Regional Economist

Desk: 541.574.2306

E-mail: Erik.A.Knoder@employ.oregon.gov

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