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MEMO

DATE: December 21, 2018
TO: Mayor and City Council
FROM: Spencer Nebel, City Manager

SUBJECT: Status Report for the Three Week period ending Friday, December 21, 2018

It is very difficult to believe that the end of 2018 is right around the corner. This year has gone by very rapidly, with many specific efforts taking place within the organization. I would like to express my very sincere appreciation for the leadership which has been provided over the past six years as Mayor, and for two prior years as a Councilor member by current Mayor Sandy Roumagoux. I have really enjoyed my experiences in working with Sandy during the five years that I have been serving as City Manager in Newport. Mayor Roumagoux has represented the City very well in many different capacities over these years. I certainly have appreciated her counsel and advice which has helped me be a successful manager for the City. I also appreciated how she has worked to accommodate the needs and views of all Council members during her tenure as Mayor.

I would like to also offer thanks and appreciation to both Councilors Mark Saelens for his six years of service on City Council, and Wendy Engler for her four years of service on City Council. Mark has played a very effective role in understanding how local government operates, particularly when it comes to addressing various organizational issues. This is a complicated business, and I certainly appreciated Councilor Saelens' perspective on various issues we've dealt with during the five years I've been City Manager. I also appreciated his understanding and commitment toward our community forests. This is an area in which the City has many opportunities to be good stewards of our significant forest lands that are owned by the City of Newport.

I also want to thank Councilor Engler for bringing her perspectives to City Council over the past four years. Councilor Engler has helped me understand the history and evolution of Nye Beach over the years. Councilor Engler has been passionate about the critical value of neighborhoods, and the importance of maintaining and continuing to build a community that offers a high quality of life for its residents.

Local government, and in particularly, the policy-making processes are complicated, since there are so many perspectives that are brought to the table, particularly regarding

issues where there are multiple perspectives on the best way to proceed. Serving as an elected Council member or Mayor is a high honor, since you have been selected by the citizens of Newport to represent them in various policy and governmental issues.

This job is difficult because as a Council member, it is incumbent on you to convince a majority of your colleagues to support specific policy actions. Furthermore, the community at large has many differing opinions on how the community should move forward. Understanding the needs of the majority, even when that majority might not be the vocal part of the community, is much more of an art than a science. Representative government was created to try to bring many different voices to the table to best represent the community in which the elected representatives serve. I congratulate you all for completing this important service to the citizens of Newport.

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

- Met with Councilors Engler and Sawyer to discuss a number of issues, concerns, and thoughts in moving forward relating to the work completed by the Finance Work Group. Councilor Engler shared her thoughts and ideas as to how the City could best move forward in addressing some of the fiscal issues facing the City.
- Held a routine staff meeting.
- Participated in the Oregon Tsunami Conference which was held at the Samaritan Pacific Communities Center for Health Education. Councilors Allen, Sawyer, Goebel, and Engler, Councilors-Elect Parker and Hall, and Fire Chief, Rob Murphy, Emergency Preparedness Coordinator, Regina Martinez, Public Works Utility Worker, Mike Eastman, Finance Director, Mike Murzynsky, Mayor Roumagoux, and Airport Director, Lance Vanderbeck all attended, as well.

Highlights of the conference included the following:

- Mike Harryman, State Resilience Officer, gave an overview of the Governor's efforts in preparing Oregon for a Cascadia Subduction Zone event. He indicated that funds to initiate efforts on an early warning system for earthquakes has been requested in the next budget. The Governor has identified the need for an outreach program to educate people on being prepared, with the goal of having 250,000 homes prepared to handle a two-week disaster by the end of next year. The State also will be making investments in airports as part of this process. A team of representatives met, here in Newport, this fall to initiate an evaluation of our airport facility. They were using data from our seismic resiliency study that was conducted last year to help assist with identifying what role the Newport Airport will play in handling emergency responses for the Central Oregon Coast. They expect to develop a grant process to assist buying equipment for airports for power, emergency storage facilities, fencing and fuel. They are also looking at opportunities for evacuations (vertical or otherwise) for handling schools and hospitals that are located in tsunami areas.
- Dr. Goldfinger gave an overview on the Cascadia Subduction Zone. While the Cascadia Subduction Zone has existed over the

millenniums, the last major subduction zone earthquake occurred in 1700, prior to European settlement. As a result, people from the northern California coast, up to the British Columbia coast, were not aware of the potential for a major earthquake and tsunami event until the last 30 years or so. Plate tectonics was a new concept which was discovered in the 1960s. Initially, it was felt that the Cascadia Subduction Zone was unique, in that it was not subject to regular earthquakes. This concept began changing in 1984, when the first evidence of historic major underwater slides was discovered. When these underwater slides were discovered and collaborated with tsunami records from Japan, a very clear pattern was discovered of major earthquakes occurring, several hundred years apart, along the Cascadia Subduction Zone.

Other known geological events helped determine timeframes of previous events related to the Cascadia Subduction Zone. In recent years, the pattern of earthquakes has shown that there are a series of earthquakes that are 250-350 years apart, with long gaps then occurring of up to 1,000 years between these series of earthquakes. The major variable for predicting the next earthquake, is whether we are still in a series of these shorter period earthquakes, or whether the 1700 earthquake was the end of that series of earthquakes. Furthermore, while there is a rather clear pattern discovered going back thousands of years, there is a measure of unpredictability as to how this pattern of earthquakes will evolve in the next millennium.

Dr. Goldfinger also pointed out there are many other earthquakes that occur in the Pacific Northwest that are not related to the Cascadia Subduction Zone, including shallow/crustal-type earthquakes and earthquakes that are caused by faults similar to the San Andreas Fault in California.

Finally, there is some evidence that the earthquakes on the north half of the Cascadia Subduction Zone only occur when a full rupture happens. However, from the Central Coast south, there is a higher frequency of partial Cascadia ruptures. Unfortunately, Newport appears to be on the northern end of the southern portion of this subduction zone. Dr. Goldfinger indicated that Oregon might luck out with a smaller Cascadia earthquake that wouldn't be the mega earthquake we are preparing for. A smaller Cascadia earthquake will probably buy another couple of hundred years before the next major Cascadia Subduction Zone event. Dr. Goldfinger is still of the mind that the decision to build the Marine Studies Initiative building in South Beach is a bad decision, even with vertical evacuation. He would rather see the sand spit at South Beach evolve into a natural area. That being said, there was a significant amount of evidence

from the Japan tsunami. The people that survived, survived by being in the upper floors of buildings, rather than trying to escape the tsunami.

- We heard from Larry Burtness, Interim General Manager, of the Quileute Tribe, regarding tsunami mitigation. The Tribe is based in La Push, Washington, located entirely in the tsunami zone. The Tribe has obtained a comprehensive planning grant in the amount of \$575,000 to look at the cost of moving the village of La Push, which consists of a population of 300, primarily Tribal members, out of the tsunami zone. The Tribe is working with Washington State through their Infrastructure Assistance Coordinating Council, to see what the possibility of building infrastructure and relocating existing homes, schools and institutional buildings, would cost as part of this very ambitious program. They have had a mix of opinions about this from residence living in La Push, particularly those who have lived there for a long time, who do not have a desire to move to a new town location, a mile or so off the coast. This is a planning process that has been initiated. Time will tell how successful the Tribe is in relocating their major institutional properties and homes to a location outside of the tsunami zone.
- Dr. Chen from Oregon State University provided a presentation on an economic analysis of the impact the Japanese tsunami had on various economies of Japan, and translated those findings to the impacts a tsunami would have on Oregon's economy. He focused this discussion specifically on Clatsop County, looking at the various financial sectors, and providing some projections of the loss on the economy resulting from this type of event.
- Kevin Miller from the California Office of Emergency Services, gave a presentation of their assessment of tsunami risks. As part of that process they have identified long-term challenges that include:
 - 1.) How do you provide interim housing that is affordable after a major event;
 - 2.) Following a major event, it is important to keep people and neighborhoods together;
 - 3.) It is important to not get too far ahead in discussions regarding recovery efforts, without keeping the community well-informed and involved in making those decisions;
 - 4.) Trying to force a move of a large community after an earthquake, without considering community factors, was deemed a failure in addressing the aftermath of an earthquake in China.

There was also a question regarding the use of sirens along the California coast. Mr. Miller indicated that sirens are spotty on the California coast. As technology has advanced, they are not promoting the use of sirens since weather conditions can

dramatically change the location of where the sirens can be heard, people don't necessarily know what the siren is for, or how to react to the siren, and the cost of a comprehensive siren system is far more expensive than other options that modern technology can now provide.

- Angie Lane from the Oregon Office of Emergency Management, talked about the Hazard Mitigation Assistance program. This is a post-disaster funding program that is available following a disaster. Newport has been the recipient of these funds on two separate occasions. The first was Safe Haven Hill, which followed the disaster that was declared relating to the Japanese tsunami, impacting various parts of the west coast, and the 70th Street slide which was part of a federal disaster declared for a number of coastal counties in Oregon, due to record rainfall events. These funds are available on a 75% federal, 25% local match basis. The "hazard mitigation assistance guidance" is the available funding opportunities for communities to consider.
- The State Homeland Security Grant program was explained by Sandra Metzger-Hines. These are funds that are available to address planning, organization, equipment, training and exercises to prevent, protect, mitigate and respond to, and recover from, acts of terrorism and other catastrophic events. One thing that became clear, it is very beneficial for the City to have a comprehensive plan and have components of future grant requests based on achieving that comprehensive plan that has been adopted. We need to move in this direction.
- Pat Corcoran from the OSU Extension Office in Astoria indicated that it is important to develop a constituency for resilience. This is a difficult task since people need to be aware of an event that may happen next year, or several hundred years from now. For Newport, the probability of this occurring in the next fifty years has been stated as 40%. This is a hard concept for our constituencies to fully grasp, since this event has not occurred in anyone's lifetime, and may or may not occur during our lifetime. There are three steps in emergency preparedness. The first is mitigation, the second is adaptation, with the highest standard being resiliency, which allows for a planned recovery. Mr. Corcoran believes that communities need to utilize regulatory land use tools, to work toward relocating parts of communities that fall within the inundation zone. He indicates the coastal communities are continuing to build homes and buildings in these areas, all along the coast. He, too, was not a supporter of OSU's decision to build the new Marine Studies Initiative building on the Hatfield campus in Newport.
- Meg Reed from the Departmental Land Conservation Development, stated one of the challenges communities have is a limitation of buildable property. One of the concerns is moving critical infrastructure out of a tsunami risk area, only to have it be replaced

by something else in these susceptible areas. DOGAMI is in the process of developing new landslide maps to help inform communities of these risks there, as well. They also have been participating in a tsunami resilience project that includes both Newport and Lincoln County. They have developed “Beat the Wave” maps in various locations along the coast, including, South Beach. They are suggesting as future land use planning tools, creating tsunami hazard overlay zones, making sure that new facility construction includes steps to address evacuation routes. Currently, North Bend is looking at adopting policy regarding development in susceptible areas. Cannon Beach has done an extensive system of notification and getting information into hotels and other areas to provide instructions for dealing with a Cascadia Subduction Zone event.

- I heard a presentation from Mike Harryman talking about resiliency efforts which often start with citizens in local communities, citing Nehalem as a good example. He indicated communities should have arrangements to provide emergency shelters, utilizing schools, armories, and other activities. The State is looking at building codes within the inundation zones to determine how these should be addressed going forward. He believe the Governor’s legacy will be implementation of an early earthquake warning system by 2022.
- The lunch keynote speaker was Mona Barnes, US Virgin Islands Emergency Management Director. Ms. Barnes gave an overview of the US Virgin Islands facing two category 5 storms within a 10-day period. Hurricanes Irma and Maria made history by being two category 5 storms that hit the same area during the same hurricane season. Ms. Barnes gave a very personal first-hand experience of what it was like to manage the devastation that occurred to this territory as a result of these storms. She emphasized the need to have residents within the community be fully prepared, have food and water to meet their basic needs, since it was impossible to have emergency response people to deal with issues immediately following the aftermath of the storm. Furthermore, it was incumbent upon the government of the Virgin Islands to have a streamline process to address the emergency conditions on three separate island (St. Thomas, St. Croix, and St John). Ms. Barnes indicated that the response in the Virgin Islands went much smoother than the response in Puerto Rico, due to the emergency response structure that has been developed there. In the US Virgin Islands emergency response, the power to direct the response centralized with the territorial governor. This was in contrast to Puerto Rico, where the power to deal with the emergency response was vested in 78 municipalities. This decentralized emergency response system led to many complications for Puerto Rico’s response to Hurricane Maria. Ms. Barnes was a very engaging speaker, and really helped walk us through her footsteps, in dealing with various issues and

responding to these two natural disasters that occurred within days of each other. Overall, I think the conference was beneficial, and I appreciate the Council members that were able to participate in these sessions.

- Held a routine Department Head meeting.
- Participated in the December 3 Council meeting.
- Met with Ralph Breitenstein to prepare an agenda for the next Vision 2040 Advisory Committee meeting.
- Mayor Roumagoux and I were asked by the League of Oregon Cities to jointly present a session on the Council/Manager form of government, and participated in a panel to discuss effective governance. Overall, our presentations went well, despite the Mayor coming down with laryngitis on the ride up to Manzanita. We modified an earlier presentation that we were asked to give to the City of Yachats on the subject. We repeated the same presentation in Waldport the next day. Overall, we had lots of questions, comments and positive feedback from our two presentations. Hopefully, it was beneficial to both the elected and appointed participants in the LOC Elected Essential sessions in Manzanita and Waldport.
- Met with Jason Malloy and Barb James to finalize a job description and compensation range for the new Parking Enforcement Officer position, as authorized by the City Council. We are currently advertising for this position.
- Met with Richard Dutton to review various issues with the IT Department.
- Derrick Tokos and I met with Traci Flowers regarding a number of issues in preparation for our discussions which will occur with the Homelessness Task Force that has been created by City Council, and will be appointed in January. Traci has indicated that she has had some very preliminary discussions with the Nazarene Church. She understands the church is trying to get from underneath the building of this facility, but that the facility remains unfinished. Traci indicated that it could be a facility which could meet many needs in dealing with various aspects of homelessness in the community. In addition, Traci has continued to expand her program for having clients of Grace Wins shelter do various community pick up and cleanup projects. She has received some very positive feedback from folks on these efforts. She indicated that they continue to work to recruit both volunteers and donations, in order to man the shelter at the fairgrounds. They have had discussions with the County about operating the shelter on additional nights, besides those that reach a certain temperature threshold. We also discussed having the task force make some initial recommendations that could be funded in the current fiscal year, utilizing funds that we appropriated as part of the City of Newport budget, as well as, funding that the County appropriated for homelessness initiatives. This task force would be a good body to work through those issues.
- Ted Smith, Barb James, and I participated in preliminary phone interviews for the Library Director's position. Overall, we had a very solid batch of applicants for this job, with a mix of applicants from Oregon and from other parts of the country. Based on this initial call, we have invited six candidates to participate in the full interview process that will include three separate panels (a panel including Library Directors from outside the City of Newport, a panel with staff and representatives from the Library Advisory Committee, and a panel with a number of department

heads). In addition, we will provide them with a 45-minute community tour, as well as, a written exercise for purposes of evaluating the candidates.

Finally, we will have a reception at the Library, Thursday, January 3 at 5 PM. The various panels will then convene on Friday to provide their comments to me so that I can make a decision on filling this position. This is intensive interview process, but it should result in identifying the best candidate to fill Ted's position. I certainly appreciate Ted's willingness to be involved in this process. Also, I want to extend an invitation to the Council, department heads and staff to participate in the reception with the candidates which will begin at 5 PM.

- I participated in the annual employee awards dinner. I want to thank the Melanie Nelson and the coordinating committee for their efforts at pulling this event together. Also, I want to thank Peggy Hawker and Gloria Tucker for putting together the slide show of various events occurring through the course of this year. This event is really a good way to provide a small token of appreciation to all of our City employees who provide services to the citizens of this community.
- Jim Protiva, Kathy Cline, and Mike Cavanaugh met with me to discuss the agreement between the City and the Lincoln County School District regarding shared facilities. We were initially scheduled to have a meeting with school officials later in the day to discuss a cleanup of the existing agreement. The school superintendent had a conflict which required them to reschedule this meeting. Overall, the shared use of the agreement has worked pretty well for the City. One interesting note is that our City recreation programs provide a number of sports activities that in other parts of the state, are operated by the public school system. One of the challenges we are having is finding volunteer coaches, and we've had to consider paying some of the coaches to be able to carry on some of these programs. We would like to have a discussion with the school district about some additional support for these programs so we can continue to offer them, in lieu of the school district offering those programs. We will be meeting with the school officials in February.
- Rob Murphy and I met with representatives of the Fire Association to discuss long-term financial support for the fire department. Andy Parker and Chris Rampley understand the limitation and resources the City has to add additional positions, in order to meet the growing demand of the department. There seems to be some general support about reducing the number of types of calls that the department responds to. This may buy some additional time for the department with the existing staff and resources. One of the items that we conceptually discussed, was the possibility of creating a fire district to run and operate fire and rescue services for Newport. The fire district could include the city of Newport and the fire district we currently contract with. This scenario might create a more sustainable financial future for fire services supported across the board by folks currently within the City and the district. This would be similar to the North Lincoln model. We have indicated that we are willing to think outside the box in ways to make sure that the citizens of Newport are adequately protected for fire and emergency response.
- Ted Smith and I followed up with our notes from the phone interviews to narrow down the candidates for final interviews for the Library Director's position. Since

Barb James was on vacation, we took her notes and we collectively compiled our scores to proceed with the next step, as reported earlier.

- I met with Corey and Alexis Shrewsbury of Pacific Coast Cab Company, regarding potential changes to the taxi regulations. As you may recall, the City Council requested a report back in January as to whether any regulatory changes should be made to Newport Municipal Code, as it relates to the regulation of the City's taxi business. This discussion was initiated by Frank and Michelle Geltner, who are owners of Yaquina Cab Company. They indicated that the existing code does not properly regulate the cab business in Newport, and could result in multiple cab companies cherry-picking prime time business, making it impossible for any cab companies to provide round-the-clock coverage. They were suggesting that City Council may want to consider a franchise agreement, or require minimum standards for cab companies to provide 24/7 service, if they are going to operate cabs in the City of Newport. Pacific Cab indicates that they do provide 24/7 coverage, as well. They do not see an unregulated cab environment being problematic for the City of Newport. They expect at some time that Uber, Lyft or some other type service, may be rolled out in more rural communities. They believe they have provided a cost-effective choice for people who need utilize cab services. They indicated that if any changes were made to the existing code provisions, creating a standard providing 24/7 coverage, is something they may support. Otherwise, they are happy with the current regulatory framework in the City.
- Held routine bi-weekly meetings with Jason Malloy, Rob Murphy and Lance Vanderbeck.
- Hosted the monthly meeting of Lincoln County Managers at City Hall. The majority of our discussion related to the County housing study that will be undertaken during the next six-month period. The State has hired a consultant to work with the Cities, County and Tribe on this county-wide project. We will be convening a meeting of the elected and appointed officials to meet with the consultants early in 2019.
- Peggy Hawker and I participated in a regular meeting of the Vision 2040 Advisory Committee. They will be providing a report to Council on their organizational efforts to date at the January 7 regular City Council meeting. The various working groups gave their reports back to the full Committee. One of the issues that is evident, is the need to standardize the reporting of process to track and report on the status of various strategies outlined in the Vision document. The Committee would also like to initiate discussions with the Ford Family Foundation about possible support of a position to facilitate community building through the Vision implementation process.
- Mike Murzynsky, Steve Baugher and I met to lay out the Budget schedule for the 2019/2020 Fiscal Year. The schedule will follow a similar pattern as we've used in recent years. We will provide this schedule in a report for the January 7 City Council agenda.
- Met with Dick Beemer representing Habitat for Humanity regarding an update on the Habitat duplex being built across from the Aquatic Center. As you will recall, Council made this property available for Habitat to build a number of units to house families under the Habitat for Humanity model. As you are also aware, Habitat for Humanity has not had an Executive Director for well over a year. Furthermore,

they are dealing with funding shortages to complete interior work necessary for the homes. Dr. Beemer indicated that the good news is that the Board has hired a new Executive Director. Lucinda Taylor will be taking over after the first of the year. Lucinda is leaving the Oregon Coast Community College Foundation Director's position to accept the Habitat job. Dr. Beemer indicated that with the new director, and with efforts to raise the necessary funds to complete these projects, work will get done. The Habitat Board wants to get back on a schedule of completing one house per year. He is optimistic that with the current leadership, this will, indeed, occur.

- I met with Michelle Geltner to continue dialogue on the cab regulations in the City of Newport. Michelle indicated that if a new ordinance requires a 24/7 service for a cab company to operate, then the definition of what 24/7 means will need to be included in the regulations. Michelle indicated her biggest concern is, if there is not enough business to support multiple full-service cab companies, and the employees of the companies, cab drivers are going to look to do other things besides driving cab. She believes that in a small community such as Newport, cab service will deteriorate if there are multiple cab companies trying to provide services. I indicated to Michelle that I would be drafting a report for Council's consideration. I would circulate it to both cab companies for any additional comments, and then provide a final report to Council in January.
- Participated with the City Council in an executive session relating to a possible property acquisition by the Urban Renewal Agency.
- Participated with Council in a joint work session between the City Council and the Planning Commission on the Parks and Recreation Master Planning Process. The consultants did a good overview of the status of the planning process, and the priorities that have been identified by the public to date, relating to the future of Parks and Recreation and the City of Newport. They will begin the process of developing a number of schematic ideas for key priorities identified in the Parks Master Planning Process, as well as, developing cost estimates, and opportunities to find funding sources for a number of these types of enhancements. Furthermore, the planning process will be reviewing our existing fee structures, and identifying other alternative ways to finance the operations of a Parks and Recreation system within the City of Newport. There will be one additional joint work session with the Planning Commission and the City Council, prior to the completion of this planning effort.
- Councilor Engler, Peggy Hawker and I met with representatives of the Beautification Committee to discuss a number of issues. The Committee met with Mike Faha, Landscape Architect, working on the Parks Master Plan, to discuss options for the Northwest corner of Hurbert and 101. As the Council may recall, the Council thought that may be a good location for the reinstallation of the clock tower. Mike Faha has convinced us that this may not be an appropriate location for the clock tower, because there is a lot of overhead interference of utility poles, traffic signals, and other infrastructure which would certainly visually detract from a clock tower at this location. He is suggesting that some landscaping/hardscaping and parking lot improvements may be the best scenario for this corner. He is going to develop a number of concepts to bring back to the Committee for their review. If the Committee comes to a consensus on one of these plans, it will be presented

back to Council for their approval, as well as to the property owners' in the vicinity of these improvements.

In addition, the Beautification Committee discussed the part-time position that was authorized by Council in the current fiscal year. The Committee reviewed a draft job description for this work. This information will go to HR Director, Barb James, to draft a final job description and proceed with the possible filling of this position.

- Held bi-weekly meeting with Mike Murzynsky and Peggy Hawker.
- Steve Rich, Derrick Tokos and I met with the PUD to discuss renewal of a franchise agreement. The current agreement ends on December 31, however, the PUD will continue to honor its terms until a replacement agreement is put into place. It will likely not be until March when we will bring the new City Council up-to-speed with this issue to finalize our negotiations with PUD on a replacement franchise agreement. Issues of discussion include: line undergrounding, addressing the removal of abandon infrastructure, and application of a reduced franchise fee paid on certain customers served by the utility.
- Rob Murphy, Regina Martinez, Lance Vanderbeck and I went through a debriefing of the tsunami conference to determine how to apply a number of the things learned at this conference to our own emergency preparedness efforts. One of the things that has become clear, is that as a City we need to do more formal planning to obtain state and federal funds to implement various emergency preparedness initiatives. I've asked Regina and Rob to take a look at emergency preparedness in a more linear fashion, with the first steps relating to getting people out of the tsunami zones following a Cascadia Subduction Zone event, then dealing with the immediate needs of people as they collect in the various assembly areas. Next is dealing with longer-term emergency planning to sustain the remaining population following this disaster, with resiliency being the final step. I will then be asking our emergency coordinating committee to prioritize next efforts, so we are dealing with the various phases of responding to a Cascadia Subduction Zone event, and we can clearly communicate the steps taken, and steps to be taken to make Newport as resilient as possible in the face of a natural disaster.
- Derrick Tokos and I met with Don Andre and Rolla Cleaver to discuss their desire to pursue funding to acquire private forest lands surrounding the Big Creek Reservoirs. They would like to be in a position to be ready to apply for funding the next time this program opens up, which could be in the late spring. I indicated from an administrative standpoint, we would be happy to work with them on evaluating this possibility. Overall, I believe the community would be supportive of the move of the Big Creek watershed forest lands being under the control and management of the City, or similarly minded organization. I indicated that this would obviously require the review and authorization of City Council, as well. We will continue to work with the community forest alliance to explore this issue.
- I met with the Port of Newport President, Stewart Lamerdin, and Interim General Manager, Teri Dresler, regarding several issues. The biggest issue we discussed was related to consideration of the Governor taking over the appointment of members to the Port Commission. This move is being implemented due to concerns that a popularly elected Port Commission may not have the capability of addressing the significant financial issues, and properly address the full potential

and opportunities to ship logs and other materials out of Newport to other markets. The commercial fishing community is very concerned about the loss of local control of this facility. The Port Commission met on Tuesday to discuss this move. I have offered to meet with other community leaders to discuss the role that the City, County, Chamber and other stakeholders may want to play relating to this issue. I would like to gather information to help the City Council determine what role, if any, it would like to play regarding this policy discussion.

- Met with Mayor-Elect Dean Sawyer to go through a number of procedural issues as he prepares to assume the role of Mayor on January 7. We will be meeting later this month to continue this transitional discussion. I look forward to working with Dean as he begins his term as Mayor in 2019. This will be a particularly interesting time with the addition of two newly-elected Council members, and two members that will be appointed January 7. During the next few months, we will be working to bring the new Council members up-to-speed on the various policy discussions and issues they will be dealing with, as well as, the operations of the City as a whole.
- Met with Ralph Breitenstein and Leslie Palotas regarding refinement of the working group reports to make sure we have a trackable and reportable product, which can be folded into periodic reports to Council and community. Progress continues to be made on this effort.
- Met with Tim Gross, Public Works Director, and Andrew Grant, Wastewater Treatment Plant Superintendent, regarding authorization of additional equipment necessary to get the pasteurization process back up and running at the Wastewater Treatment Plant. Because of a significant lead time on a couple of components, I have authorized the initiation of ordering these parts. This will require some additional funds budgeted for the rebuild of this unit, which will be going before the City Council on January 7.
- Participated in several meetings on December 18 at the League of Oregon Cities offices in Salem, relating to the Oregon City/County Management Association. This included reaching out to the League for support for our state association and hosting the 2021 International City Managers' Conference in Portland, Oregon, as well as meeting with the other two co-chairs for this event on developing an operations plan in 2019, and planning for the upcoming association conference, which will be held in Newport in July.

Upcoming Events:

- City Hall will be closed on December 24-25, 2018, in observation of the Christmas Holiday, and January 1 for the New Year's holiday.
- December 28, 2018, at 5 PM is the deadline for applications to fill two vacancies on City Council.
- A reception has been scheduled at the Library at 5 PM for the candidates for the Library Director's position. I would encourage Council members to participate and meet the candidates.
- January 7, 2019, a work session will be held at noon to interview candidates to fill two vacancies on City Council. The interviews will be conducted by the existing Council members, and the newly-elected Council members.

- January 7, 2019, at 5 PM is the Organizational Meeting of the new City Council. The existing Council will approve the minutes then adjourn the meeting. The newly-elected Mayor and Council members will take their oath of office. The new Council is scheduled to appoint two members to fill vacancies on the Council. A regular meeting will begin at 6 PM, following the organizational meeting.
- I will be on vacation from Friday, January 11 through Friday, January 25. Council has previously excused my attendance from the second meeting in January which would occur on Tuesday, January 22, due to the Martin Luther King Holiday.
- January 21 City Hall will be closed in observation of Martin Luther King Day. The regular City Council meeting will be held on Tuesday, January 22.
- January 24 is LOC Capitol Day in Salem.
- February 1, I will be attending the OCCMA Board Meeting which will be held in Tigard, Oregon.
- February 25 is the Goal Setting with City Council and Department Heads.
- March 5 at 6 PM is the Preliminary Meeting of the Budget Committee. (Held in Council Chambers)
- The League of Oregon Cities will be holding a one-day Spring Conference on April 12, 2019 in Ashland, Oregon. This is a new conference with details to follow.
- April 23 at 5 PM will be the First Budget Committee meeting.
- I will be attending OCCMA's NW Regional Managers' Conference in Hood River On April 30-May 3.
- May 14 at 5 PM will be the Second Budget Committee meeting.
- May 21 at 6 PM will be the Third Budget Committee meeting.
- I will be attending OCCMA's Summer Conference July 9-12 which will be, here, in Newport.
- September 26-28 is the League of Oregon Cities' Annual Conference in Bend, OR.

Attachments:

- ✚ Attached is an email indicating that the first Proud Ground home is scheduled to close on or around January 15. In accordance with the new Memorandum of Understanding with Proud Ground, the subsidy for purchasing this home of \$81,200 will include \$12,000 in funds previously contributed by the City to the Lincoln Community Land Trust; \$16,600 from the City Housing Fund; \$1200 from Lincoln County; \$2,477 directly from Proud Ground, and \$48,923 from the OHCS Work Force Housing initiative. Under this model, the homeowner will be able to purchase the home with this financial assistance with the land being held by Proud Ground. This will facilitate Proud Ground keeping this home permanently affordable for the next buyer, when the home is sold in the future. This has been a long haul, but hopefully this paves the way for additional work force housing ownership in Newport and Lincoln County.
- ✚ Attached is an email from Andrew Grant regarding additional work that needs to be done to rehabilitate the RDP Unit at the Wastewater Treatment Plant that pasteurizes biowaste from this facility. Because of the long lead time, I have authorized this purchase, however, on January 7, I will be asking the Council to formally re-appropriate funding to cover higher-than-anticipated costs with the

rehabilitation of this critical unit at the Wastewater Treatment Plant. This will delay the hauling of untreated biowaste to Roseburg. Once the pasteurization unit is back in place, then we will be able to produce high quality Class A biosolids that can be used without further treatment for agricultural purposes.

- ✚ Attached is an article from the Portland Tribune regarding the legalization of vacation rentals in Portland. This article was forwarded to Derrick by Cathey Briggs.
- ✚ Attached is an article forwarded to me by Councilor Allen from the Daily Astorian regarding whether the Astoria Port should follow Coos Bay's example. This is certainly pertinent based on the indication that legislation may be introduced to rename the port in making the governing body government-appointed. The only other two ports like this are the Port of Portland and the Port of Coos Bay. This is an issue that has many different angles and points on it. It is my hope to collect information to help inform the Council on this matter, to determine whether the Council wants to take a position on this possible legislation.
- ✚ Attached are letters of thanks to both Mayor Roumagoux and myself from the League of Oregon Cities for our role in two of the Elected Essentials sessions offered by the League.

Wishing everyone the best during this holiday season. I look forward to working with Mayor-Elect Sawyer, Councilors Allen and Goebel, Councilors-Elect Hall and Parker and two councilors to be named January 7, 2019!

Respectfully Submitted,



Spencer Nebel
City Manager

Cc: Department Heads
Councilors-Elect Hall and Parker