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MEMO

DATE: May 29, 2024
TO: Mayor and City Council
FROM: Spencer Nebel, City Manager

SUBJECT: Status report for the five-week ending Friday, May 24

The Budget Committee's review of the budget beginning July 1, 2024, will be completed May 28. This will provide financial guidance for the City for the fiscal year beginning July 1, 2025 through 2026. In addition, Mayor Kaplan, Council President Hall, Councilor Parker and Assistant City Manager/ City Recorder, Erik Glover, and I participated in the League of Oregon City's spring conference in Klamath Falls. Over the next six weeks much of my time will be spent on transitional issues as the City prepares for my retirement on July 8 and the beginning of Nina Vetter's tenure as Newport's next city manager on July 9. Nina will begin temporary employment with the City June 18 for orientation purposes. I will develop a schedule for her to meet with various departments and tour City facilities during this time. In addition, I will also be setting up meetings with individual Council members, the City Attorney and Municipal Judge. This should be beneficial to build a good foundation as Nina begins her tenure on July 9.

Highlights of Activities During the Past Few Weeks Include the Following:

- Held a bi-monthly meeting with Steve Baugher to review various matters relating to Finance.
- Participated in a meeting with Erik Glover, Steve Baugher, Chris Beatty, Robert Moser, Rebecca Morrow, Steve Stewart and Melissa Roman regarding the fee schedule for water rates. We had to do some editing from the original fee schedule that was initially provided in order to address a number of issues. These changes were reviewed with the Budget Committee on April 23. In addition, we are looking at modifying the process for initiating water service in the City of Newport. When a new lateral line and meter box is installed in a right-of-way, the process will be initiated by the Engineering Department for a right-of-way permit instead of the Finance Department. Engineering will then provide the information to Finance so that the account can be finalized. I appreciate the efforts of Erik Glover, Rebecca Morrow and Melissa Roman in working through some of the logistical issues to improve these processes.
- Met with Mayor Kaplan and Council President Hall to provide background information on my existing City and ICMA contracts, for guidance in developing

a new contract with Nina Vetter. City Attorney, David Allen, worked with the Mayor and Council President to develop an employment agreement for Nina. Council approved the final agreement with Nina Vetter for a start date of July 9.

- Met with Barb James in our bi-monthly meeting.
- Met with Dylan and Celeste McEntee regarding an issue they had that required installation of a catch basin for the townhouses they are developing on SE 5th Street. I told them I would review the additional information, and get back to them on a possible solution.
- Barb James, Laura Kimberly and I met to discuss reorganization issues with Library staff.
- Held bi-monthly meetings with Rob Murphy and Lance Vanderbeck to discuss departmental issues.
- Met with Steve Baugher to submit our annual ARPA report on funds used during the course of this past year. We brought a recommendation to the City Council at the May 6 meeting on the use of the remaining ARPA funds. At the Municipal Finance Officers' meeting, it was recommended that any remaining ARPA funds be utilized to fund Police and Fire activities instead of taking the chance of not getting the project underway prior to the December 2025 commitment date. This will also expedite reporting. We will recommend to the City Council that the amount of funding directed toward Police and Fire be set aside as a reserve and funnel back to the original projects. The advantage of doing this is that we are not using ARPA funds for those uses, and we can close out our ARPA account with a final report in 2025.
 - Derrick Tokos and I met with County Counsel, Kristin Yuille, and County Surveyor, Eli Adams, regarding various orphan, and other parcels of property, that need to be cleared up between the County and City. This is a process that Wayne Belmont tried to complete before he left. Kristin Yuille would like to complete this effort, in part to address our request regarding the stairway project at Agate Beach. There are several other property matters that need to be handled, including Biggs Street, which is held by the County, but the City is proposing improvements to, and other projects where transfer deeds were initiated but not completed. Kristin Yuille will be drafting a letter of understanding outlining the various properties to be handled if approved by the City Council and the Lincoln County Board of Commissioners. We hope to have this to City Council by the June 20 meeting.
 - Barb James, Brent Gainer and I participated with Mark Wolf in the negotiations with the Newport Police Association. We will be bringing information to the City Council at an executive session to address a resolution of the contract.
 - On Tuesday, April 23, along with members of the City Council, I participated in the first Budget Committee meeting to review and approve a budget for the fiscal year beginning July 1, 2024. This first meeting was for a complete overview of the budget and to provide an opportunity for Budget Committee members to make changes to the budget. We have developed the "hit and wish list" that includes potential changes. This was presented to the Committee at the May 14 Budget Committee. Chair Bob Berman did a great job in getting us through our review. Staff has worked on responses identified

as part of the review, and presented those modifications to the Budget Committee at the meeting on May 14.

- Following the Budget Committee meeting, Erik Glover, Steve Baugher, Eric Carpenter, and I put together the hit and wish list based on discussions of the first meeting. Steve distributed this to the staff for their responses.
- Barb James and I met with the Lane County Council of Governments (COG) regarding the status of our salary survey. The COG indicated that they received notice from the consultant hired to compile the salary study that they were unable to continue this work effective immediately. This is a significant setback since we were originally promised to have the study results in time for the proposed budget. I have indicated that this work needs to be completed by June 1 so a recommendation can go to Council before the end of the fiscal year. It will be important to address any discrepancies in our compensation schedule prior to the new city manager beginning her tenure. He indicated that this work will be a priority for the new contractor recently hired, who conducted our first salary survey six years ago. Hopefully, the new contractor will be able to start this process and meet the deadline of June 1.
- Participated in the meeting with Robert Moser (our new public works director) and Steve Stewart to discuss various Public Works issues. Robert has been spending time with the individual crews to understand what they do and gain a better understanding of our various water, wastewater, streets and facilities that he is responsible to oversee. I think he is off to a good start.
- I participated in an interview with the consultant for the League of Oregon Cities (LOC) on the LOC's methods of communication. I think overall the LOC continues to improve these processes. The one area I believe they could do better at, is compiling and performing additional municipal research on projects. Washington state has a state-funded office that collects a significant amount of information and does research for Washington municipalities. This would be a major new initiative for the LOC which would take additional resources but could be very beneficial to Oregon Cities.
- Mayor Kaplan, Council President Hall, Councilor Parker, Erik Glover and I participated in the LOC Spring Conference in Klamath Falls on Thursday, April 25 and Friday, April 26. It was an informative conference that was well-attended. It is great that the LOC moves the Spring Conference around to various locations in the state. It is helpful to see other communities and understand what is happening in different cities. Klamath Falls seems to have a fairly successful couplet through their downtown area. Highlights of activities during this Conference include the following:
 - Participated in the managers' workshop and breakfast which focused on planning for and recovering from an emergency. This was a sobering presentation about the Alameda fire which scorched over 2,800 structures in the cities of Talent, Phoenix and Medford, Oregon. The fire started on September 8, 2020 during the time that the state of Oregon was hit with multiple mega wildland fires in various locations, including the fires in North Lincoln County. John Vial, Public Works Director in Medford, was tagged by the County Emergency Office to lead the coordination efforts for the wildland fire. John indicated that a 2° difference in wind direction would have

spared much of the damage to Talent and Phoenix. The direction of the sustained winds was the worst case scenario for the damage that occurred during this fire. As a public works director for Medford, he was put into a position he felt that he was not prepared to fill. Out of necessity during the emergency, he was the coordinator and filled various services that were needed during that time, and in the recovery that followed. He outlined a number of key criteria including:

- ❖ know who the players in your area who you can call upon to do things that may be out of their expertise
- ❖ understand that these situations can happen anywhere and it is important to build the skills necessary to respond to these emergencies
- ❖ do not be afraid to call for help. While the emergency response system is a great starting point, build the emergency response structure you need to address the issues you are facing at that particular time with personnel that are available to help. As an example, he called upon the Medford Parks and Recreation Director to handle the emergency sheltering efforts. While the Director was not experienced in this area, he knew him well enough to know that he would be in the best position to take the lead here. He did the same with the Assistant City Manager to serve as a local government liaison. He called on ODOT to provide the public information services since they had those resources available.
- ❖ it was indicated that FEMA does not interact well with local government officials during the initial stages of an emergency. Local governments are on their own to work through these issues. It is important to have a clear communication plan which includes focusing on sharing information via social media flyers and pamphlets. Many people were without power and did not have access to social media outlets and conventional methods were very important in order to receive factual information.
- ❖ Following the fire, debris management was a huge effort and ODOT lead the coordination in cleanup. The debris management ended up costing over \$150 million to clean up the various locations.

It is important to be very demanding - throwing a fit - with the state and federal agencies in order to get the assistance you need to address the emergency.

- ❖ Finally, recognize that response to these types of devastating emergencies take a significant toll on support staff. Support staff may also be suffering personal losses during these types of events and need to make sure that their family is taken care of in order for them to focus on the response to the community.
- Steve Lambert, Parks and Recreation Director for Jackson County, was called to coordinate the emergency shelter operations during the fire. This fire moved rapidly, and on the day of the fire, there were

hundreds of people gathering at the evacuation site at the County Expo Center. By the end of the first day, over 2000 people were seeking shelter. This included a significant number of folks from nursing homes that were transferred to the center, many who needed medical assistance. Steve had to find oxygen supplies and worked with the Red Cross to supply various cots and other essential items. As the fire progressed, the Center was provided notice that it may have to be evacuated. Steve worked with various people to deal with the fire and logistics of moving 2000 people to another site. The decision was made to stay where they were, since the fire would be defensible around the site, and safer, rather than trying to move 2000 people to another location. Once things were stabilized at the emergency shelter, Steve moved to the emergency operations center to coordinate activities there. He indicated that there is a significant difference between the EOC and Incident Command. EOC's are offsite locations where staff from multiple agencies come together to address eminent threats and hazards. Incident Command is handling on-scene operations. The National Incident Management System (NIMS) creates a common language for command and coordination of both of these operations.

Steve stated that, in a unique twist, the COVID pandemic was a great tool to prepare for the response to the fire, since many of these folks were working together on various aspects of addressing the threat of COVID-19 during this time. One general challenge was dealing with the Latino and immigrant population that was impacted by the fire. There is a real lack of trust of government among people in these groups. Trust issues have been more successfully bridged by the school district, and the district was a major player to reach out to these populations. Finally, donation management was a major problem. A lot of people want to help and bring items that are not useful at this stage. The Red Cross is limited in the help that they can assist with, particularly in the initial part of the emergency, which is the same with FEMA and other state response agencies.

He also stated that preparing an emergency written response for your own family, especially if you are involved in emergency responses at the community level, is critical. Having family emergency plans can help address issues that may otherwise limit your involvement because they are dealing with family issues and did not have a specific care plan in place to address those kinds of emergencies.

- We heard from Eric Swanson, City Manager of Phoenix, and Joe Slider, Community and Economic Development Director of Phoenix, on the City's response to the fire that literally destroyed their public infrastructure during a fire. A number of issues on a local level were that people who had homes that survived the fire could not access their homes for more than two weeks due to the cleanup of debris in those neighborhoods. This definitely caused frustration among those

homeowners. Even with the rebuilding that has occurred, the City of Phoenix has 25% less people today than it did before the fire. The City of Phoenix needed to significantly staff up on building permits and land use issues to address rebuilding of the city. Eric Swanson indicated that Business Oregon was great to work with. He indicated that they did not have the same experience with the Office of Emergency Management or FEMA during the recovery phases of the fire.

- Heard from Kelly Madding, Deputy City Manager of Medford, who was picked to be the local government liaison for those cities directly impacted by the fire during their recovery. Kelly worked directly with the city managers and mayors of the city. In one of the cities, there were challenges in working with the mayor and city manager who did not work well together. Her role was to get resources from other cities to assist in the emergency response and recovery for Talent and Phoenix who were directly impacted. This included gathering Police, Public Works crews and others, to assist with water shutoff and other services that needed to be conducted immediately following the fire. Kelly also had challenges with one mayor who was trying to help but was often providing incorrect information. She indicated that FEMA was not well versed in working with wildfires. Their operations have been based on hurricanes and other emergencies which allow for preparation time prior to the event. With a fire, you do not have any prep time. She indicated that you need to be very careful with the terms that are used with the public, particularly marginalized communities. At the Expo Center one of the needs was to have an adequate supply of ice for the shelter. Word passed quickly among immigrant populations that "I.C.E. was coming", when indeed it was frozen water coming to the shelter. This caused a panic among some who were at the shelter. Kelly indicated that you need to have one person (a commissioner, city manager or Council member) who is comfortable being direct and being a bit of a jerk with the Red Cross and state and federal agencies. Sometimes it takes that tough talk in order to get the services you need in an emergency. Kelly also emphasized it is critically important for everyone responding to the emergency to have a personal plan for family members. They need to know what to take, where to go, and how to prepare at home in the event of an emergency. This will provide a significant amount of relief to those that are responding to the emergency. Finally, she said take heart that you will never communicate enough with people, even if you are on steroids about communication, you will be criticized for lack of communication. That is the nature of information during an emergency. With the concern and frustration people have when they are not sure what is going on, even if you have done a stellar job in communicating, some people will be angry.

Overall, this session was really a great reminder of how significant some of these natural emergencies can be. I think Jackson County did an excellent job to bring together the various resources necessary to deal with an

unprecedented fire that impacted several thousand homes and, fortunately, only resulted in three deaths. That is amazing!

- Heard from Marion County Sheriff, Nick Hunter, about Marion County's Law Enforcement Assisted Deflection Program (LEAD). Marion County is one of three counties in the state that has offered this type of service. Lincoln County is one of the other three that does a diversion program through the County DA's office. Sheriff Hunter indicated that Marion County, along with the rest of the state, has suffered dramatically following the passage of Measure 110 to address drug use and sales within the county. House Bill 4002 will provide additional tools that will make diversion or deflection programs more meaningful. He indicated that behavioral change is necessary in order to have any hope of achieving redirection in a drug abuser's life. Unfortunately, law enforcement works more in the reactive world than the prevention world. By the time law enforcement is involved, the problem has escalated to the point where action is necessary. Law enforcement has been actively involved in de-escalation and verbal judo in order to try to resolve matters without the use of force. Marion County is currently revising the program based on House Bill 4002. The bill provides opportunities to send people to jail after the first offense. This is a change from the laws in place with Measure 110. House Bill 4002 also addresses the limitations that occurred in enforcement activities in 2023 with Oregon vs. Hubbell. This ruling eliminated the nexus between possessing a large number of specified drugs and prosecuting someone for attempted transfer of drugs to others. This had a major impact on law enforcement across the state in dealing with drug dealers. A combination of Measure 110 and Hubbell has, in his opinion, created significant livability issues both for our residents and drug users. Other issues that impact the drug enforcement world is the lack of jail space for possession, and the limited public defenders available to represent those arrested, which means drug cases get pushed back for years, making prosecution nearly impossible.

The Marion County program basically allows, at an officer level, diversion when someone is cited for drug use. Marion County has hired five navigators to do this work. The navigators have all had life experiences of being drug users, and have become a very effective tool in dealing with individuals that have been arrested for drug use since they can walk the walk. There have been some challenges to hire these individuals since they cannot pass the CJIS clearances, and the background process eliminates anyone who has spent time in jail or prison for drug use. They been able to work through those issues, however. Since they work in the Sheriff's Department, these navigators have established a good rapport with officers working on the street. This has been a critical bridge connecting the diversion program to the officers that are interacting with individuals on the street. In order to have any success at behavioral change, rapport must be very authentic. As individuals, we have our own perspectives when we are interacting with folks, particularly those that were different from ourselves. With rapport comes true empathy and understanding for the individuals. Some of these individuals will truly want to change and diversion gives them an opportunity to try to accomplish that change. With this program, success is measured one person

at a time. Overall, I believe that with the passage of House Bill 4002 creating enforceable sanctions on individuals arrested for drug issues, the diversion program could make a difference with the number of people that have fallen into these types of substance abuse disorders. I am glad that Lincoln County has a similar type of program that is offered through the District Attorney's Office after an arrest is made. There is evidence that diversion should occur at the officer level. This will be an interesting policy issue to work through as House Bill 4002 comes into effect.

- Attended a session with Claire McGrew, Chief Deputy, Oregon State Fire Marshall's Office, on wildfire resistance and community risk reduction. With climate change reducing the amount of precipitation during the summer months and creating higher temperatures, Oregon is seeing wildfire conditions that are similar to California. The problem in Oregon is that many of our areas, particularly coastal forests, have not been subjected to fires and the amount of fuel is substantially higher when fires do start. In addition to directly involving structures and wildland fires, the biggest risk to structures is from embers which may blow a great distance. This was clear in the Otis fire where many structures were untouched, but some structures, who were a fair distance away from the immediate wildland fire area, were affected. Claire indicated that Oregon has experienced a 246% increase in fires over the past 10 years as compared to the previous decade. One of the State's emphases is to prepare for quick action to address small fires. Response Ready Oregon's rule is to keep small fires small, increase the tools for immediate responses, and mobilize fire response teams who respond to locations under high threat of fire prior to the incident. Claire compared the Boot Lake fire with the Golden fire which had an immediate response. Under this initiative, the conditions were very similar for both fires, however, the Golden Fire was contained without having the extensive damage that the Boot Lake fire had years before this program was initiated. Other wildland fires handled under this program have shown similar favorable results.

The State has established a Fire Ready Committee to review various efforts to increase resilient communities to the threat of wildland fires. A draft defensible building code has been developed and emphasizes that the best solutions will be locally based. In addition, they have launched the Defensible Space Program to protect homes and buildings from the dangers of wildland fires. They provide free property assessments through various partners of fire service agencies. There is a lot of work to still do, but significant progress has been made.

There was a presentation on the 2022 wildfire risk map. It is noted that this map is not used by insurers, but is used to identify various risk areas in the state of Oregon. Insurers are utilizing their own experience for rating or underwriting decisions. US wildfire losses have continued to grow since 2017. There are concerns about the impact that these risks may have on insurance rates. The key issues to help mitigate some of the risks are implementing defensible spaces, home hardening and community level mitigation. The State continues to discuss new codes based on the risk of wildland fires in different parts of the state. Fire hardening includes utilizing

- nonflammable roofing materials, addressing ventilation where fire can get a hold in a structure, gutters, exterior walls and glazing, as well as any surrounding structures. While these codes will not likely impact the coast, they could be utilized in areas that are deemed to have a high wildfire risk. The codes would be for new construction of single-family dwellings, duplexes, townhomes, and accessory buildings.
- Attended a session on public safety financing, levies, fees and contracts. This session focused on some of the challenges that Grants Pass has had in identifying sustainable revenues to support various needed public services. City Manager, Aaron Cubick, and Finance Director, J.C. Rowley, provided an overview of the challenges that Grants Pass has had in addressing sustainable financing for that city. As is the case in all cities in Oregon, Grants Pass is locked-in by Measures 50 and 5 which have frozen all tax levies at 1997 levels and allows only a 3% increase in taxable value each year to go to cities. With inflation and other costs rapidly escalating over that rate, cities across the state are left in a challenging position to finance needed services. Grants Pass imposed a utility fee of \$12 per month on water and sewer bills which generates \$3.4 million for public safety. Aaron indicated that public safety was like Pac-Man eating the budget that is needed for other city services such as libraries, parks, sidewalks, and others. Aaron identified seven revenues that Grants Pass has looked at, including:
 - 1.) Placing costs on utility bills;
 - 2.) A local tax levy which is limited to five years (requires voter approval);
 - 3.) Utilizing service districts for things such as fire, parks and other needs (requires voter approval);
 - 4.) Enacting a food and beverage tax;
 - 5.) An income tax (Eugene implemented a payroll tax in 2021, as did Salem. In Salem, a petition to repeal the tax was successful this past November); and,
 - 6.) A transactional business tax.

Each of these items has pros and cons for financing city services. When initiatives are proposed to the voters, a mistake that is sometimes made is not allowing enough time between developing that concept and going to the voters. Anything less than two years is too short. If you are placing something before the voters, it is important to talk to the other taxing districts to see what other tax issues are coming up. It is important to know your numbers now and project into the future what needs there will be. Often, initiatives start out, but then take several years to get it passed. If it does, the amount of money generated is insufficient to meet the needs. It is important to focus on affordability and determine who any public financing initiatives will burden. Having clear and consistent communications throughout the process is critical. It is important to develop a three second, 30 second and three minute explanation on issues that are being pursued. If all Council members are not on board with the initiative, then it is not the right time to pursue that effort. It is important to have all the elected officials supporting the initiative. It is important to actively engage with the public, utilize community surveys to determine needs and willingness to support certain activities, and develop sufficient organizational infrastructure outside of the city to advocate for these measures.

Anit Jindal, attorney for Markowitz Herbold, discussed the current status of the Grants Pass vs. Johnson case before the U.S. Supreme Court. The basis for this case is that ordinances that effectively prevent sleeping in public places when there are no alternatives, amounts to cruel and unusual punishment. In 2007, Martin vs. the City of Boise overturned a law restricting sleeping on public property when there are no other reasonable alternatives available for someone who is homeless to sleep. The concept of time, place and manner is addressed in the decision of the Ninth Circuit. In the City of Grants Pass, an ordinance did not prohibit sleeping on public property but did prevent the use of bedding, tents and other sorts of treasures being utilized on public property. In addition, this ordinance did not criminalize camping but imposed civil penalties. A class-action suit was filed with the litigants prevailing in U.S. District Court. The City of Grants Pass asked that the entire Circuit hear this case, but by one vote, this was denied by the Ninth Circuit.

The City of Grants Pass appealed this case to the Supreme Court. There was a 2 1/2 hour argument (which by Supreme Court standards is long) and based on the questions and statements made by Justices, there was clearly a 3 to 6 split in the way the Justices approached this question. The three Justices were concerned about the social impacts on homeless individuals when sleeping is basically prohibited, particularly when some form of shelter or cover is necessary. The conservative justices were a bit more consolatory toward the use by the entire public of these public spaces. The Justices asked critical questions, including about those who have substance abuse disorders. If they are not allowed to use a shelter, should they be restricted from sleeping in public? In addition, Chief Justice Roberts asked about city jurisdictions and available shelters. If there is a shelter in another jurisdiction two or three miles down the road, does that meet the needs as an available option for homeless individuals when it is not in the jurisdiction the individual is currently in. The issue of state-created dangers was not as big of an issue in the arguments. Attorney Jindal indicated that a decision is expected in June on this case. While many are hoping that the decision will establish clear guidelines for addressing camping and sleeping in public places, there is some speculation that there may be a lot of questions left unanswered when the Supreme Court issues its decision later this year.

- Participated in the LOC's agency directors' roundtables, which included directors from five key state agencies and regional solutions staff focusing on the relationship between state agencies and local governments. This included Doug Woodcock, Acting Director of the Oregon Water Resources Department; Palmer Mason, Senior Policy Advisor for the Department of Land Conservation Development; Lindsay Baker, Assistant Director, Government and External Relations Oregon Department of Transportation; Andrea Bell, Director of Oregon Housing and Community Services; Ed Tabor, Infrastructure and Program Services Director for Business Oregon; and, Craig Flierl, Captain of the Oregon State Police. In this format, two of these agency members partnered and spoke to one-third of the room for brief introductions and opened questions. The focus of the state housing program is building capacity for meeting community long-term housing

needs. The BIL Infrastructure Act provides funding to the state to assist local units of government for various housing needs. In addition, \$1.8 billion will be available in federal funding for various transportation issues. ODOT is exploring various tools for replacing the gas tax which is becoming an antiquated way to charge for the use of streets and highways across the nation. This is particularly true with the significant advancement that has been made with EV vehicles and hybrids, reducing the amount of fuel consumed by road users. The Oregon State Police has indicated that they are facing the same challenges that local units of government are facing to fill vacant positions. This has directly impacted their ability to provide services in certain parts of the state. Doug Woodcock indicated his support for working through the various water rights issues for the Big Creek Dam. He was enthusiastic that a legislative solution was provided for the transfer of water storage rights, and is hopeful that the additional water rights requested will be a smooth process. He sounded very supportive of the efforts of the City of Newport in getting a new dam.

- Heard a presentation on the Oregon Housing and Community Services resources available to address housing issues. The Oregon legislature had one of its most active years in providing funding for affordable housing. The Oregon Housing and Community Services (OHCS) is developing a single application to replace many individual program applications. This will help streamline the process for developers proceeding with the projects within communities. They have also tried to streamline the process for reviewing projects. Step one is the intake for developers in submitting the basic application for the project, and identify the need for gap funding. This give OHCS a complete look at the overall needs. The amount of \$500 million is available in the budget right now. Assistance includes items such as technical advice, capacity building for nonprofits, predevelopment loans, working with cities on land acquisition, etc.

The second step is an assessment of the impact of the project. The proposed location is evaluated and requires that the project meet various zoning and other requirements. Locations for housing are required to be walkable or accessible within 1/2 mile of services in urban areas, or within 10 miles for rural areas. Access to parks, grocery stores, and other items that are important. Step three evaluates financial eligibility of the applicant. They are shifting away from first-come first-served to first-ready first-go. At the end of step three, a preliminary notice of fundability is provided; Step four is the commitment to proceed with the project. There are unprecedented levels of funding right now. The funding has been divided up regionally with Newport being located in the north coast geographic area.

- Attended a general session at lunch which focused on regional coordination to meet Oregon's housing goals. The panel included Mike Sabara, Special Initiatives Director, OHCS; Tammy Baney, Executive Director for the Central Oregon Intergovernmental Council; Scott Aycock, Community and Economic Development Manager, Central Oregon Intergovernmental Council; and our own, Karen Rockwell, Executive Director of the Housing Authority of Lincoln County. The State of Oregon established housing goals and has exceeded the goals for the creation of new housing by significant amounts in each category. These include low-barrier shelter beds (1,047)

housing homeless individuals (1,426) and preventing folks from going into homelessness (9,023). Clackamas County partnered with 11 cities to provide \$7.2 million to support a range of homeless services throughout that area. The Oregon Rehousing Initiative (HB 1519) is providing \$39 million to assist in meeting various homelessness issues. In order to keep people from becoming homeless, another number of rental assistance programs had been implemented and there is an understanding that there needs to be some level of sustainable funding to continue to support the shelter beds being created. Karen Rockwell did a great job on this panel talking about the collaboration between the Cities, the County and the Housing Authority as part of the HB 4123 regional homelessness pilot project. This project has resulted in the creation of winter shelter beds in both Newport and Lincoln City, and has brought together municipalities, the County and others, to collectively discuss ways to address these issues.

- Attended the session on leading communities through the lens of a person of color. This panel was coordinated by David Manning, a Council member from Happy Valley; Denyse McGriff, Mayor of Oregon City; Alex Johnson II, Mayor of Albany; Tom Vialpando, Mayor of Vale; Adam Khosroabadi, Councilor of Milwaukie; and, Dr. Ramycia McGhee, Councilor of Albany. Each panelist brought their own perspective of being a person of color and/or being Muslim in communities where members are white. Three panelists are mayors. In each case, the panelists felt they have a higher bar to meet in their communities where the vast majority of citizens are white. Often, cultural differences can be misunderstood by people from different cultures. There is a real need to have open discussions of these to create a better mutual understanding of these differences. Adam Khosroabadi, Councilor of Milwaukie, is an Iranian Muslim who is a US veteran. He indicated that despite his service in the US military, his patriotism is sometimes questioned by people unfamiliar with his background. Tom Vialpando, Mayor of Vale, indicated that in some ways he has had to have a split personality of being Mexican at home and American while serving the city. DEI is a statement but putting the concept and practice for people of color to feel they are being treated equally is still an aspiration that needs to be met. While there is a lot of discussion about DEI, it is important to show material gains about the progress to true equity and inclusion in American society.
- The last session focused on the role of cities in implementing Oregon's updated addiction response. Scott Winkels, Lobbyist for the League of Oregon Cities (LOC), provided an overview of the shift of focus on addressing Oregon's drug issues. The passage of Measure 110 decriminalized most aspects of possessing and using drugs in the state of Oregon. The proponents of Measure 110 felt that the existing structure of laws disproportionately affected people of color and created a stigmatism that is difficult for individuals arrested for drug crimes to be able to make a meaningful living going forward, even if they successfully address any addiction issues. There were a number of unintended impacts that occurred with Measure 110 that was attempted to be addressed with new legislation. In addition, the new legislation returns the law to its original form by addressing Hubbell (a Court of Appeals decision) that possession of drugs

with intent to sell them was sufficient to prove attempted delivery. One impact from Hubbell resulted in successful convictions of drug dealers dropping from 1800 in 2015 to 120 cases in 2023. Legislation directs courts to deal more harshly with dealers that focus on vulnerable populations, including people in parks, outside rehab facilities, shelters, and other locations. The law addresses pretrial releases and establishes a misdemeanor for possession. Legislature was on common ground knowing that we cannot incarcerate our way out of this issue. The law allows officers to confiscate and arrest individuals, but does not allow them to put them in jail. It creates a diversion opportunity for an officer, if the individual is willing to consider diversion/deflection. Sentencing for possession can run from 30 to 180 days on repeat offenses. Deflection occurs before the arrest, not in court, which helps streamline responses.

There are a number of other elements that are needed in order to effectively address this significant increase in addiction in the state of Oregon, including behavioral and mental health services, developing the capacity of nonprofits to provide for treatment and shelter, working with the courts on diversion programs, use of evidence-based programs, and evidence-based reasons when deflection is not used. In addition, money has been appropriated on a statewide basis to provide grants to develop appropriate deflection programs within various counties. It should be noted that Lincoln County did not submit the necessary letter to be included in the list of counties where this funding has been identified. Lincoln County is, however, one of three counties that has a current diversion program in its court system. In reviewing this with Sheriff Landers, the only negative impact of not being listed will have on the County, is that they will not be able to receive the funding as quickly as those that are on the statewide list that met the criteria for receiving these grants. Sheriff Landers does not believe this will negatively impact Lincoln County other than the timing for receiving. Another key change is the expansion of welfare holds. A person can now be brought to a treatment facility and held for a minimum of 72 hours. This additional time is critical to help stabilize someone under the influence of various types of drugs. The current hold is 24 hours. Over \$200 million has been appropriated to assist in the treatment of addiction.

I enjoyed attending the conference with Mayor Kaplan, Council President Hall, Councilor Parker and Erik Glover. I strongly encourage the Council to continue attending LOC events in the future. The formal presentations and the informal networking that occurs at these facilities is very critical to help city officials in Oregon better understand the challenges that all communities are facing, and to understand some solutions that communities are implementing in facing these challenges.

- Lance Vanderbeck and I met with Peter Boris regarding a drainage ditch located at the south end of the airport. Mr. Boris lives in the unincorporated area of South Beach and borders the airport property. A number of years ago, the City developed a drainage ditch on airport property to alleviate flooding at this location. Mr. Boris indicates that a neighbor pushed stumps and dirt into the ditch which now causes his septic system to backup when the ditch

becomes flooded. He is asking for some relief to re-establish the flow in that ditch. It appears that the ditch is on city property and we will be reviewing this matter.

- Steve Baugher, Derrick Tokos, Erik Glover and I had a meeting on the use of the state to collect room tax. At this time, it is our thought not to pursue this for several reasons. The state is having a number of challenges with staffing. In discussions with Ashland at the LOC conference, and speaking with the City of Pendleton, both cities were not entirely happy with the work being conducted by the State on the collection of the taxes. Pendleton went back to collecting their own tax. Furthermore, Council has established another Finance position that is going to focus on collections. We think we should get a better handle on our own process for collections versus handing it through the state at this time.
- Met with Mike Cavanaugh, Scott Bernards, Anita Albrecht, and Chris Beatty to discuss the City Hall landscaping project. We want to get this project ready for bids.
- Anna Laukea, Chris Beatty, Catherine Rigby and Derrick Tokos, met with me on the under-bay water line crossing, a potential FEMA-funded project. We are sorting through the process to complete the info requested by FEMA. We also have URA funding appropriated for this project and we will use URA funding for engineering, while we wait for FEMA's funding determination. We are working through the responsibilities of staff and Dig Deep Research on the various aspects of the FEMA grant, as well as the role of Civil West Engineering. At this point, Civil West is primarily doing work for Dig Deep under that contract.
- Barb James, Robert Moser, Justin Scharbrough and I met to discuss employee issues within the Public Works Department.
- Met with Aimee and Rob Thompson and Walter Budzig from Thompson's Sanitary regarding their annual rate reviews. Because the calculated increase in cost exceeds the cost of living, they have submitted a complete rate review for consideration for this coming year. Following our discussion, they will consider requesting a slightly smaller amount. I cautioned them that this is fine unless it is going to create a larger jump in future years. The rate increase was presenting this information to the City Council at the May 20 City Council meeting, and was approved.
- Along with Chris Beatty, Jason Malloy, Laura Kimberly, Lillian Curanzy, Travis Reeves, Kevin Moreno, Robert Moser and Erik Glover, participated with the City Council on the April 29 town meeting that focused on funding for road improvements. We had a small turnout, but had a good discussion with the attendees of the meeting held in the McEntee Room at the Library. Erik Glover summarized this information and it was provided to the participants for their review and information.
- Derrick Tokos and I met with Jeff Welber and his business partner regarding property they own on the west end of Bay Boulevard where the buildings have been torn down this winter. They are looking at options for the reutilization of this property. They have had discussions previously with Bornstein and are looking for any direction the City may be able to give them on the reuse of this property. The zoning of this property is such that commercial uses can be re-

established at this location as a conditional use. It should be noted that the pilings are in poor condition above the bottom of the bay. The portion of the pilings in the sand are in good condition. Reuse of the site is going to be a fairly expensive proposition.

- Participated with staff in developing a City phone tree. We are converting our phone system over to a Zoom platform which will give us significant additional capabilities to streamline the phone numbers utilized by the public. This change in the phone system was necessitated by a lack of support for our current system. This was compounded recently by a switch over to a new software by our current provider that has created challenges with the City's existing firewalls. We are hopeful to move forward with this new system in the next few months.
- Met with the Rob Murphy, Tom Sakaris, and Barb James on an employee issue in the Fire Department.
- Laura Kimberly, Barb James and I met on a number of issues in establishing the bilingual community engagement specialist position. This position will report to Laura on a citywide basis. We presented a report to City Council at the May 20 Council meeting on the implementation of this position.
- Erik Glover, Barb James and I met with our new insurance agent, WHA Insurance. WHA is currently the agent for Lincoln City and the Port of Newport, as well. I think they will do a good job for us.
- Jason Malloy and I met to discuss the concerns from Mike Walas regarding properties within his neighborhood in Agate Beach. As a result of that meeting, I prepared a report to Mr. Walas on the status of his complaints.
- Met with Robert Moser to discuss the organizational issues within Public Works. It is my intent to upgrade the Water Treatment Plant Supervisor, Steve Stewart, to an Assistant Public Works Director/Water Supervisory position. Under this plan, Steve would have oversight of both plants and would serve as second in command in the absence of the public works director. Steve has done an outstanding job during this year when we did not have a public works director in place. I think this will be a good model going forward.
- Melanie Nelson and I met on final preparations for the Volunteer Appreciation Dinner which was held on Wednesday, May 15, at the Agate Beach Best Western. This is our first to Volunteer Appreciation Dinner since 2019.
- Held a bi-monthly meeting with Chris Beatty to discuss engineering issues.
- Participated in a Fire grievance meeting on retro pay for a Fire Engineer.
- Met with Barb James, Robert Moser, and Justin Scarborough to address an employee issue in Public Works.
- Met with Barb James and Jason Malloy to deal with an employee issue in the Police Department.
- Met with the Jason Malloy and Jovita Ballentine to discuss a complaint regarding a fence which has been cited as a nuisance. I had a meeting with the property owner who was cited and is asking what needs to be fixed regarding this offense.
- Prepared agenda items for the May 6 City Council work session, Urban Renewal and regular meetings.

- Participated, as a spectator, at the Loyalty Days Parade.
- Held a routine Department Head meeting.
- Participated in the May 6 work session and discussed the possible development of a property maintenance code and an update on Bayfront parking. Met in executive session to discuss labor negotiations. This was followed by a URA meeting.
- Participated in the regular City Council meeting of May 6.
- Met with Anna Laukea at our bi-monthly meeting to discuss URA issues.
- Met with Arzu Wooten regarding the use of an unopened right-of-way that is at the side of their property. The questions related to landscaping and other potential uses. I indicated that it is unlikely that the City would vacate that section of unopened right-of-way.
- Mayor Kaplan, Derrick Tokos and I participated in a Zoom meeting with Greg Hansen, and Colin and Andy Bornstein, regarding the closure of the Bornstein facility. We indicated we were sorry to hear this news. They indicated that they were disappointed but they have had to make the decision to consolidate their operations with the closure of the facility in Newport and Bellingham, Washington. They indicated that global and domestic issues have impacted the seafood industry, including global competition with cheap seafood being available to the global market, environmental changes, the necessity to significantly increase wages for people working in the facility, and that generally the seafood industry has been in a down cycle. They indicated there was nothing specific from a local standpoint that led to the decision to close this facility. The Bornstein's invested in automating the fillet process which turned out to be a problematic process because, at this facility, they have been doing more hand filleting. They also indicated that Newport's scale as a small plant is too costly for them to sustain operations. This facility would need a reinvestment of \$10-\$15 million to make it competitive.



Loyalty Days Parade

They have been working the local fishermen on alternatives. They determined that trucking is too expensive to get to the fish from Newport to Astoria and they are working on ways for fishermen to drop their fish at their facility in Astoria. They have offered jobs to the 50 employees that worked in Newport. This facility has a number of needs including the \$3 to \$4 million to fix the hole in the dock immediately to the east of the fish plant. They have had discussions with other providers about leasing this facility.

We discussed the restrictions in the deed that would allow the City to repurchase the property at a discounted cost in the event that it remains idle for 24 months or more, and the City maintains a first right of refusal on any potential sale of the property. One of the keys on the waterfront is to assure some level of competition among processors for our fishing fleet. This has been the basis of the City's involvement in this facility.

- Held bi-monthly meetings with Derrick Tokos and Barb James to discuss various departmental issues.

- Met with a property owner regarding a complaint that has been filed involving the condition of his fence. He is asking for direction on how to address this issue feeling that his neighbor should have some role in fixing the fence, as well. By all appearances the fence is entirely on his property and the fix is to replace the posts that are causing the fence to lean into the neighboring property. He indicated that he plans to address this issue.
- Met with Robert Moser and Steve Stewart on various Public Works issues.
- Met with Lance Vanderbeck to discuss the airport drainage ditch issue located on the south end of the runway. The City apparently dug a ditch to facilitate the drainage of water coming from the airport property into the neighboring subdivision a number of years ago. A section of this ditch has been filled with stumps and dirt which apparently is causing some local flooding issues in this neighborhood. We are exploring the history of this ditch being filled in and looking at alternatives to try to address storm water flows through this area.
- Held bi-monthly meetings with the Travis Reeves and Mike Cavanaugh.
- Participated in a Zoom call to prepare presentations for the panel that I am facilitating for the OCCMA Summer Conference in Hood River.
- Held bi-monthly meetings with Steve Baugher, to discuss departmental issues.
- Barb James, Jason Malloy and I met to discuss our employee background check processes. We have utilized this process for the past eight years. It is a very thorough process, however, in light of the competition for employees, we are seeing how we can streamline this process without losing the essential information. The background checks have identified several past candidates that employment offers were made to, but due to past employment and other issues, we were unable to proceed with. Our goal is to keep the essential information necessary while streamlining this process. Utilizing the workplace cultural plan with staff, we have made a lot of progress on workplace issues which, hopefully, will help stabilize our current and future workforce. I appreciate the ideas that have been generated by staff and the support Council has shown on these efforts.
- Participated in an internal emergency preparedness meeting. Part of the focus of this meeting was on the statewide emergency planning effort that occurred at the airport earlier this month.
- Held bi-monthly meetings with Jason Malloy, Rob Murphy and Lance Vanderbeck.
- Met with Robert Moser, Justin Scarborough and Barb James to discuss ideas on how we organizationally oversee Facilities. Longtime Facilities Supervisor, John Johnston, retired in January due to health concerns. Paul Marrs has been performing double-duty prior to, and since, that time.
- Erik Glover and I participated in the Coastal Managers' meeting at the Port of Newport.
- Along with City Council, participated in the second Budget Committee meeting.
- Prepared agenda items for the May 20 work session, URA meeting and City Council meeting.

- Erik Glover and I met with Wayne Patterson on various Chamber of Commerce items. This included their budget request for the upcoming year for Discover Newport and potential repairs to the Chamber building. Please note that if City funds are used for this building it may require a change in our lease agreement with the Chamber which provides that the Chamber will be responsible for those repairs in exchange for nominal rent for this building.
- On Tuesday, May 14 and Wednesday, May 15, the Oregon Department of Human Services held an earthquake preparedness exercise at the Newport Municipal Airport. The emergency tents and equipment are stored at the airport and is in place to serve as an evacuation assembly point during an emergency. This will help facilitate getting people from the coast, presuming road transportation and other types transportation are not available. Below is a link from the May 16 Statesman Journal which gives a good overview of the type of equipment used and the focus of this exercise. <https://nam12.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.statesmanjournal.com%2Fpicture-gallery%2Fnews%2Flocal%2F2024%2F05%2F16%2Fnewport-airport-emergency-assembly-point%2F73706200007%2F&data=05%7C02%7Cm.nelson%40newportoregon.gov%7Cdd2f36ac1af943e8d71a08dc7e6a6111%7C6bf668894e6249dba361f2ed339bd1c%7C0%7C0%7C638524242907652004%7CUnknown%7CTWFpbGZsb3d8eyJWljiMC4wLjAwMDAiLCJQIjoiV2luMzliLCJBTiI6Ikh1aWwiLCJXVCi6Mn0%3D%7C40000%7C%7C%7C&sdata=hnMzQ32LHDrSKiskQ%2FivHlkRJ7vyCVyFFaAd1XO%2F%2BWo%3D&reserved=0>

The exercise also included the Coast Guard helicopter as well as Life flight's helicopter.



Laura Kimberly, Library Director



Erik Glover, Asst. City Manager/City Recorder

I appreciate the role of Rob Murphy, Del Lockwood and Lance Vanderbeck for their efforts on this statewide exercise.

- Along with Councilors Jacobi and Parker, I attended and emceed the Volunteer Appreciation Dinner. This has been our first Volunteer Appreciation Dinner since COVID-19. We had a good turnout and it was a fun and enjoyable event. Mayor Kaplan was unable to participate due to illness but Councilor Jacobi provided some words on behalf of the Mayor and Council. Councilor Parker also provided comments about the appreciation for those who volunteer to serve their community. The Alma B. Howes award went to Bryn McCornack of the 60+ Center. Thanks go out to Barb James and

Melanie Nelson for coordinating this event and for those employees who volunteered to assist.

- Held a routine Department Head meeting.
- Met with Erik Glover, Steve Baugher, Rebecca Morrow, and Matt Hall to discuss how we deal with a commercial customer that's primarily water only. Steve Webster is proposing to place a commercial ice plant on the dock. This use requires a substantial amount of water, however, the ice machine will not be connected in any way to the wastewater system. We are looking at options placed for a separate meter since the current dock only has a restroom that is served on the dock property with wastewater.
- Held bi-monthly meetings with Laura Kimberly, Travis Reeves, Robert Moser and Steve Stewart to discuss departmental issues.
- Erik Glover and I participated in a YBEF meeting that included a tour of the Georgia Pacific Mill facility in Toledo. This facility produces pulp and paper products from a variety of virgin wood chips and recycled fabric and uses that material to primarily produce unbleached linerboard and medium which is used to make boxes and corrugated containers.
- I took a half day of vacation on Wednesday, May 22.
- Derrick Tokos and I participated in a Zoom call with Harbor Freight regarding their signage issues at their Newport store. Harbor Freight applied for, and was denied, a variance by the Planning Commission for additional sign space that was installed at the store. There were a couple matters at play with this issue, including the use of a free-standing sign that was not part of the initial permit request for signage, and an error made by Planning Department staff issuing a permit for a larger sign than what the code allows. During our conversation, we indicated that we made an error on issuing a permit for a sign that was too large for US 101. They indicated they will take the sign off the pylon that is located at the sidewalk on US 101, however the actual pylon is owned by the building owner not Harbor Freight who is leasing the facilities. Hopefully, we can arrive at a fair settlement of this issue. I will be offering compensation for costs resulting in Harbor Freight installing a sign larger than allowed.
- Held a bi-monthly meeting with Barb James to discuss various HR issues.
- Along with Mayor Kaplan, Erik Glover and Steve Stewart, participated in the Water Conservation and Management work group meeting. The first part of the meeting focused on the watershed protection planning process and that is being facilitated by Water Resources Consultant. Unfortunately, we did not have a quorum for the meeting that followed the watershed meeting. We are going to check with the members of the work group to see who wishes to continue with this effort.
- Erik Glover and I met with Stephen Webster to sort options regarding the meter issue at his commercial dock on the Bayfront.
- Mike Cavanaugh and I met on the proposal received for childcare services offered at the Recreation Center. Mike will be clarifying several things with the respondent to determine if we are forwarding a recommendation to proceed with this provider or reissue the RFPs. Overall, they have asked for some consideration during their start up on the lease based on initial enrollment numbers. This is a reasonable request.

- Participated, along with various staff members, in the Dig Deep monthly update on various projects they are working on for the City.
- Participated in the barbecue at Public Works in honor of Public Works week.
- Participated in a conference call with Barb James and the CIS attorney hired to represent the City in litigation from a former employee. Overall, the attorney indicated that the materials provided by the City places the City in a strong position to defend this matter.

Overall, it was a busy five-week period. Much of my time during the remaining eight weeks before retiring will be spent on transitional issues. I look forward to working with Nina Vetter and hope to have a good transitional document to help guide her initial efforts as city manager.

Upcoming Events:

- Tuesday, May 28 at 6 PM is the third Budget Committee meeting.
- I plan to take a day off on Wednesday, May 29, to handle spring chores at home.
- Wednesday, June 5, is the first day to file the SEL form with the City Recorder to run for City Council.
- City offices will be closed on Wednesday, June 19, for observation of Juneteenth.
- I plan to attend part of my last OCCMA Summer Conference which will be held in Hood River on June 24 - 27.
- City offices will be closed, Thursday, July 4 for the Independence Day holiday.
- My tentative retirement date as city manager is Monday, July 8.
- The tentative start date for the new city manager, Nina Vetter, is Tuesday, July 9.
- The last day to file the SEL form as a candidate for Mayor or City Councilor is Tuesday, August 27.
- Monday, September 2 is the Labor Day holiday. Council meetings will be held Tuesday, September 3.
- The annual ICMA meeting is going to be held from September 21 - 25, 2024, in Pittsburgh, Pennsylvania. I encourage my successor to participate in the annual ICMA meetings. These there are very important professional development opportunities for members of ICMA. There is a wealth of information that is provided at these conferences and the experience of traveling to different cities to participate in various demonstrations and tours to view how other cities tackle various municipal problems is extremely beneficial. Please encourage your new manager to participate in the ICMA meetings.
- Monday, September 30 at 6 PM is scheduled for a town hall meeting.
- The League of Oregon Cities Annual Conference will be held from October 17-19 in Bend, Oregon. Erik will be contacting Council in early summer to determine attendees to secure rooms for this event. It is important that Erik secure rooms the first hour of conference registration to assure everyone stays in the conference facility.

- Election Day is Tuesday, November 5, 2024.
- City offices will be closed for Veteran's Day on Monday, November 11.
- November 21 and 22, City offices will be closed due to the Thanksgiving holiday.
- On Tuesday, December 24 City offices will be closed half day and a full day on Wednesday, December 25 for the Christmas holiday.
- City offices will be closed, Tuesday, January 1, 2025 in observation of the New Year holiday.
- The last meeting of the current Council and the organizational meeting for the new Council will occur on Monday, January 6, 2025.

Attachments:

- Attached is an email to Mike Walas on the various property complaints.
- Attached is a letter from the Water Resources Department with the enclosed copy of the final order approving the water right transfer application for Big Creek. Please note that the City has to complete all work in order to take advantage of this transfer on or before October 1, 2045.
- Attached is a letter from the Lincoln County Health & Human Services expressing appreciation for the support for the operation of the winter shelter
- Attached is information from the Georgia-Pacific Toledo Mill about their processes and affluent line, including information on the leak identified in 2023 which is scheduled to be repaired this summer. The Toledo mill is the single largest recycler in Oregon of secondary fibers .

Respectfully submitted,



Spencer R. Nebel, City Manager

cc: Department Heads

Melanie Nelson

From: Spencer Nebel
Sent: Saturday, May 04, 2024 2:43 PM
To: City Council
Subject: Fwd: Update on status of previous complaints and an upcoming work session on property maintenance code

Follow Up Flag: Follow up
Flag Status: Flagged

Oops on the last attachment! This is the correct attachment. - Spencer

Sent from my iPhone

Begin forwarded message:

From: Spencer Nebel <S.Nebel@newportoregon.gov>
Date: May 4, 2024 at 2:18:34 PM PDT
To: MICHAEL WALAS [REDACTED]
Cc: Jason Malloy <J.Malloy@newportpolice.net>, Robert Murphy <R.Murphy@newportoregon.gov>, Derrick Tokos <D.Tokos@newportoregon.gov>, David Allen <D.Allen@newportoregon.gov>
Subject: Update on status of previous complaints and an upcoming work session on property maintenance code

To Michael:

I requested an update on the various property concerns that you have forwarded to the NPD. The PD has continued to respond to his complaints and closely monitored the status of each complaint.

545 NW 56th St

The Police Chief personally viewed this area. This is a vacant lot across from your driveway. The owner of the property is not local and lists a Nevada address. Based on his observations and CSO Ballentine's observations, the property does not rise to the level of a nuisance. The lot is uneven and is covered with vegetation, including some bushes and small trees. There are many vacant lots and City owned properties that much more vegetation than this lot. The City does not have a specific code that quantifies the amount of vegetation a lot may have. You indicated the lot may be a fire hazard. I do not believe this is the case this time of year. The complaint was referred to Newport Fire for their review. The PD is in the process of sending the property owner an advisory letter regarding the vegetation and request to remedy the vegetation before the end of Spring and prior to the fire hazard season.

412 NW 56th St.

Junk yard complaint – The Newport PD has received this complaint numerous times. Each time, the Chief and/or CSO Ballentine has responded and observed the area. Based on the state definition and municipal code definition, the property does not meet the definition of a "junking" or "repair business." We have verified that the tenants at this location obtain and repair their own personal cars as a hobby. Each time they have inoperable and unlicensed vehicles in their driveway, the landowner is notified and the vehicles are removed. Community Development concurred with our assessment.

Home occupation business – You have made reference to home occupation standards and continue to allege the tenants and operating a vehicle repair business. To date, no evidence of a home business has been identified. It has been confirmed that their own personal vehicle repair is a hobby. The home occupancy restrictions that you refer to in his emails do not apply because the tenants are not operating a business.

Visible sheds/outbuildings – The Police Chief has verified with Community Development that the two visible sheds are under the required permitting requirements in size. Additionally, the sheds are on the tenants property and not a violation. Community Development concurred with this assessment.

Mud and water in yard – Mr. Walas pointed out deep ruts and water in the front yard at the location. I observed large tire track ruts in the yard. The City does not have a code that addresses persons driving in their own yard, or using their yard to park vehicles. Community Development concurred with this assessment.

To date, this property owner has been advised of numerous code violations at the location. Each time the property owner is notified in writing, he quickly begins to remedy the violation. At times, some violations cannot be brought into compliance quickly, and require a large expense or time. When this occurs, we monitor progress. When progress is made, enforcement efforts are put on hold. To date, no outstanding violations continue to be pending. For future violations at this location, NPD will no longer issue voluntary compliance notices, and will be issuing citations when appropriate.

On Monday, at 4:00pm, the City Council will be discussing property maintenance codes. This type of code would give greater latitude in addressing issues that go beyond unsafe buildings and nuisance violations. It would also require additional staffing in order to effectively enforce these provisions. In the past, Council has had concerns about the impact that this may have on some of our residents who have very limited means who may be one step away from homelessness as well as what is the policy relating to government reach into private property issues. That being said, there are also reasons to have better tools to address aesthetic issues in the community. You are certainly welcome to attend this meeting at City Hall and provide any comments that you want to share with the Council on property maintenance issues. I've attached a link to the website for the agenda materials for this work session for your review. [City Council Work Session Agenda \(granicus production attachments.s3.amazonaws.com\)](https://www.granicus.com/prod/production_attachments/s3/amazonaws.com)

Spencer R. Nebel

City Manager

City of Newport, Oregon 97365

541-574-0601

s.nebel@newportoregon.gov



Oregon

Tina Kotek, Governor

Water Resources Department

North Mall Office Building
725 Summer St NE, Suite A
Salem, OR 97301
Phone 503 986-0900
Fax 503 986-0904

May 14, 2024

City of Newport
Attn: Spencer Nebel
169 SW Coast Hwy
Newport, OR 97365

REFERENCE: Transfer Application T-14298

Enclosed is a copy of the final order approving your water right transfer application.

The time allowed to complete the transfer is specified in the final order. YOU SHOULD GIVE PARTICULAR ATTENTION TO THE TIME LIMIT. The water right for any portion of the authorized change in character of use or change in place of use NOT carried out within the time allowed will be lost.

An extension of the time limit can be allowed only upon a showing that diligent effort has been made to complete the actual change(s) within the time allowed.

You are required to hire a Certified Water Rights Examiner (CWRE) to complete a Claim of Beneficial Use report and map which must be submitted to this Department within one year of the date you complete the change(s) or within one year of the completion date authorized in the transfer final order, whichever occurs first.

If you have any questions related to the approval of this transfer, you may contact your caseworker, Arla Davis, by telephone at (503) 979-3129 or by e-mail at Arla.l.davis@water.oregon.gov.

Sincerely,

Elyse D. Richman
Water Rights Services Support
Transfers and Conservation Section

cc: Nikki M. Hendricks, Watermaster Dist. # 1 (via email)
Adam Sussman, Agent

Enclosure

2. On March 13, 2023, Transfer Application T-14294 was also filed involving Certificates 48627 and 89100. Notice of the application for transfer was published on August 8, 2023, pursuant to OAR 690-380-4000.
3. One timely comment was submitted to the Department in response to the notice. The issues raised by the comment focused primarily on the following concerns:
 - a) The increased capacity of the new reservoir. OWRD must ensure that this additional storage will not be approved as part of the transfer. Any additional storage will require a new right.
 - b) Given that the new reservoir will have capacity to store more water than it can today, OWRD must ensure that there is no injury to existing rights, including instream rights, on all affected streams, including the Siletz.
 - c) The City will either need to provide fish passage or apply for a fish passage waiver, which would require mitigation. The application fails to meet statutory requirements.
4. In response to the issues raised by the timely comment received, the Department has determined:
 - a) The transfer affects the storage already authorized under Certificate 21358. No additional storage can be approved under this transfer.
 - b) The Department has determined that there is no injury to other water rights.
 - c) The Oregon Department of Fish and Wildlife (ODFW) is requiring fish screening at the new point of diversion (POD). Additionally, ORS 540.510, Sec. 1 requires the construction of the proposed dam meet all applicable state and federal environmental regulations. The transfer is conditioned so the applicant is required to follow these items.
5. On January 22, 2021, the Department notified the City of Newport of an Unsafe/Potentially Unsafe Dam, following a dam inspection performed on October 15, 2018. Notice was sent to the Interim City of Newport Engineer. The dam inspection included the following:
 - a. Corrosion of, and leakage through, the corrugated metal pipe (CMP) portion of the spillway. Subsequent inspections performed by the Department on May 29, 2019, and August 4, 2020, indicated the corrosion of the CMP portion of the overflow spillway continues to worsen with time.
 - b. A seismic stability analysis performed of both Big Creek dams indicated that both dams will deform significantly during a Cascadia Subduction Zone (CSZ) earthquake. The deformation could cause the dam crest to drop below the water line which could lead to overtopping of the dam crest and subsequent catastrophic failure of the dam.

6. On January 23, 2024, the Department sent a copy of the draft Preliminary Determination proposing to approve Transfer Application T-14298 to the applicant. The draft Preliminary Determination cover letter set forth a deadline of February 23, 2024, for the applicant to respond. The applicant requested that the Department proceed with issuance of a Preliminary Determination.
7. On March 5, 2024, the agent for the application requested a longer completion date for Transfer Application T-14298 due to the scale and complexity of the project. Pursuant to OAR 690-380-5140(3), the Department has modified the completion date of Transfer Application T-14298 to October 1, 2045.
8. On March 22, 2024, the Department issued a Preliminary Determination proposing to approve Transfer Application T-14298 and sent a copy to the applicant. Additionally, notice of the Preliminary Determination for the transfer application was published in the Department's weekly notice on March 26, 2024, and in the Newport News Times newspaper on April 2, and April 9, 2024, pursuant to ORS 540.520 and OAR 690-380-4020. No protests were filed in response to the notice.
9. The right to be transferred is as follows:

Certificate: 21358 in the name of CITY OF NEWPORT (perfected under Permit R-1236)

Use: MUNICIPAL USE

Priority Date: AUGUST 1, 1951,

Limit: The amount of water entitled to be stored each year under such right, for the purposes aforesaid, shall not exceed 200.0 acre feet.

Source: BIG CREEK, a tributary of the PACIFIC OCEAN, to be appropriated under Application No. 26388, Permit No. 20703

The reservoir is located in:

STORAGE FOR MUNICIPAL USE				
Twp	Rng	Mer	Sec	Q-Q
10 S	11 W	WM	33	SW NE
10 S	11 W	WM	33	SE NW
10 S	11 W	WM	33	NW SE
10 S	11 W	WM	33	NE SW
10 S	11 W	WM	33	NW SW
10 S	11 W	WM	33	SW SW
10 S	11 W	WM	33	SE SW

10. Certificate 21358 does not include a description of the location of the authorized point of diversion. The applicant has provided information describing the location of the authorized point of diversion as follows:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances
10 S	11 W	WM	33	SW SW	BC 1 - 1100 FEET NORTH AND 4450 FEET WEST FROM THE SE CORNER OF SECTION 33

11. Transfer Application T-14298 proposes to move the authorized point of diversion approximately 0.59 mile upstream to:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances
10 S	11 W	WM	33	NW SE	BIG CREEK DAM - 3110 FEET SOUTH AND 1790 FEET WEST FROM THE NE CORNER OF SECTION 33

12. Transfer Application T-14298 also proposes to change the place of use of the right to:

STORAGE FOR MUNICIPAL USE					
Twp	Rng	Mer	Sec	Q-Q	
10 S	11 W	WM	33	SE NE	
10 S	11 W	WM	33	NE SE	
10 S	11 W	WM	33	NW SE	
10 S	11 W	WM	34	NW NW	
10 S	11 W	WM	34	SW NW	
10 S	11 W	WM	34	NE SW	
10 S	11 W	WM	34	NW SW	
10 S	11 W	WM	34	NW SE	
10 S	11 W	WM	34	SW SE	

13. The Oregon Department of Fish and Wildlife (ODFW) has determined that a fish screen is necessary at the new point of diversion to prevent fish from entering the diversion and that the diversion is not currently equipped with an appropriate fish screen. This diversion may be eligible for screening cost-share funds.

Transfer Review Criteria [ORS 540.510, Sec. 1, OAR 690-380-0100(14), 690-380-4010(2) and 690-380-2110(2)]

14. Water has been used within the last five years according to the terms and conditions of the rights. There is no information in the record that would demonstrate that the rights are subject to forfeiture under ORS 540.610.
15. Big Creek Reservoir No. 1 has a maximum height of 21 feet tall and is 315 feet long. It impounds up to 200 acre-feet. A water delivery system sufficient to use the full amount of water allowed under the existing rights were present within the five-year period prior to submittal of Transfer Application T-14298.
16. The water rights are subject to transfer as defined in ORS 540.505(4) and OAR 690-380-0100(14).
17. The water right certificate authorizes the storage of water for municipal use.
18. The dam at the authorized point of diversion has been determined by the Water Resources Department to have a high hazard rating, as defined in ORS 540.443, and to be unsafe or potentially unsafe, as defined in ORS 540.443.
19. The proposed point of diversion diverts water from the same source of surface water as the authorized point of diversion, as required by OAR 690-380-2110(2).

20. The proposed changes, as conditioned, would not result in enlargement of the rights.
21. The proposed changes, as conditioned, would not result in injury to other existing water rights.
22. All other application requirements are met.

Conclusions of Law

The change in point of diversion and change in place of use proposed in Transfer Application T-14298 is consistent with the requirements of ORS 540.505 to 540.580, 540.510 **Sec. 1** [2023 c.535 §1] and OAR 690-380-5000.

Now, therefore, it is ORDERED:

1. The change in point of diversion and change in place of use proposed in Transfer Application T-14298 are approved.
2. The right to the use of the water is restricted to beneficial use at the place of use described and is subject to all other conditions and limitations contained in Certificate 21358 and any related decree.
3. Approval of this transfer application does not constitute nor grant legal access onto or through another person's property for purposes of accessing the new point of diversion or the new place of use.
4. Water right Certificate 21358 is cancelled.
5. The quantity of water diverted at the new point of diversion (BIG CREEK DAM) shall not exceed the quantity of water lawfully available at the original point of diversion.
6. Water shall be acquired from the same source of surface water as the original point of diversion.
7. Reservoir water use measurement:
 - a. **Before water use may begin** under this order, the water user shall install staff gages, or, with prior approval of the Director, other suitable measuring devices, that measure the entire range and stage between empty and full in each reservoir. Staff gages shall be United States Geological Survey style.
 - b. Before water use may begin under this order, if the reservoir is located in channel, suitable measuring devices must be installed to allow measurement of the amount of water flowing into and out of the reservoir, and an adjustable outlet valve must be installed. The water user shall maintain such devices in good working order. A written waiver may be obtained, if in the judgment of the Director, the installation of suitable measuring devices, or the adjustable outlet valve, will provide no public benefit.

8. Prior to diverting water, the water user shall install an approved fish screen at the new point of diversion and shall provide to the OWRD a written statement from Oregon Department of Fish and Wildlife (ODFW) that the installed screen meets the state's criteria, or that ODFW has determined a screen is not necessary.

The water user shall operate and maintain the fish screen at the new point of diversion consistent with ODFW's operational and maintenance standards. If ODFW determines the screen is not functioning properly, and is unsuccessful in working with the water user to meet ODFW standards, ODFW may request that OWRD regulate the use of water until OWRD receives notification from ODFW that the fish screen is functioning properly.

9. When constructing the resulting new dam and reservoir, the holder of the water right certificate must comply with other applicable state and federal environmental laws.
10. Full beneficial use of the water shall be made, consistent with the terms of this order, on or before **October 1, 2045**. A Claim of Beneficial Use prepared by a Certified Water Right Examiner shall be submitted by the applicant to the Department within one year after the deadline for completion of the changes and full beneficial use of the water.
11. After satisfactory proof of beneficial use is received, new certificates confirming the rights transferred will be issued.

Dated in Salem, Oregon on **MAY 14 2024**



Lisa J. Jaramillo, Transfer and Conservation Section Manager, for
DOUGLAS E. WOODCOCK, ACTING DIRECTOR
Oregon Water Resources Department

Mailing date: **MAY 15 2024**



Lincoln County Health & Human Services

April 15,

Mr. Nebel
City of Newport Parks and Recreation
225 SW Avery St.
Newport, OR 97365



Dear Mr. Nebel and Newport Parks and Recreation,

Thank you so much for the large donation of blankets for the guests at the Community Shelter & Resource Center (CSCR). We are honored you made the choice to support the winter shelter.

With your support, the CSRC was open from October 4, 2023, through March 31, 2024, providing a no/low-barrier shelter for houseless individuals and their companion animals. The shelter focused on the safety of guests and staff while providing a warm, clean space to sleep. The shelter also provided two meals, laundry services, and access to showers.

During its operation, the shelter provided 5,333 overnight stays to 230 individuals and 30 animals. Many shelter guests were over the age of 50 (43%). Of those older guests, 10 were over 70 years old. Guests stayed, on average, 39 nights.

Shelter staff were able to refer 57 individuals to housing options. Thirty-three people were placed in transitional settings, four in adult foster homes, and five placed in permanent housing.

It is only through your support and the support of our communities that the CSRC was able to provide this vital lifeline to the houseless individuals in Lincoln County. We hope you will continue to support the CSRC. We will reach out with more information regarding the 2024-2025 season as the reopening approaches this fall.

Your willingness to help those in need is greatly appreciated.

Very best regards,

Casey Miller, Chair
Lincoln County Board of Commissioners

Jayne Romero, Director
Lincoln County Health & Human Service

Claire Hall, Vice-Chair
Lincoln County Board of Commissioners

Chantelle Estes, Program Coordinator
Community Shelter & Resource Center

Kaety Jacobson
Lincoln County Board of Commissioners

About Georgia-Pacific Toledo



Georgia-Pacific's original pulp and paper mill, and the only one Georgia-Pacific constructed. Operations started in 1958.

Lincoln County's largest manufacturing employer with more than 400 employees and an annual payroll of approximately \$53million.

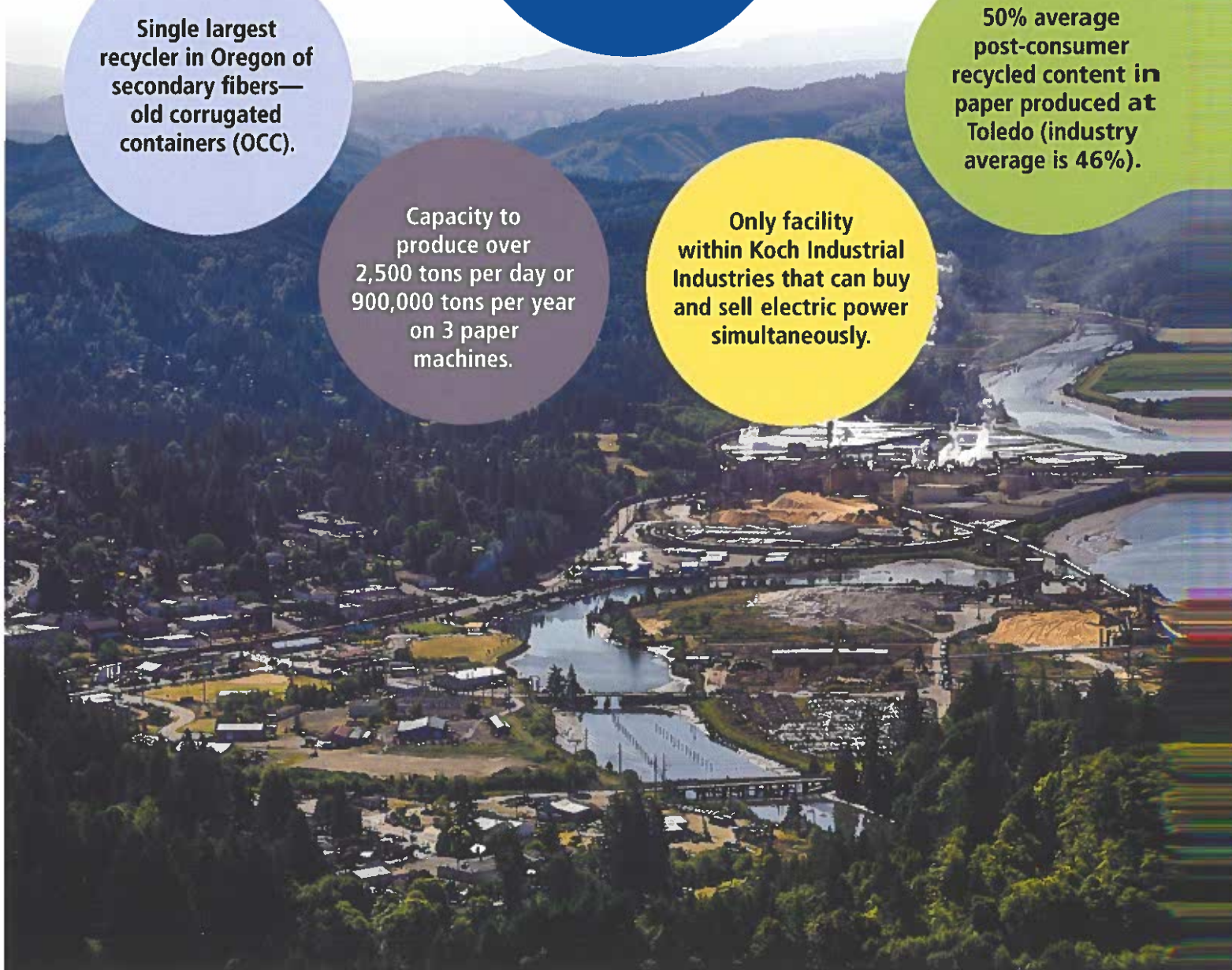
Integrated pulp and paper mill, producing unbleached linerboard and medium which is primarily used to make boxes and corrugated containers.

Single largest recycler in Oregon of secondary fibers—old corrugated containers (OCC).

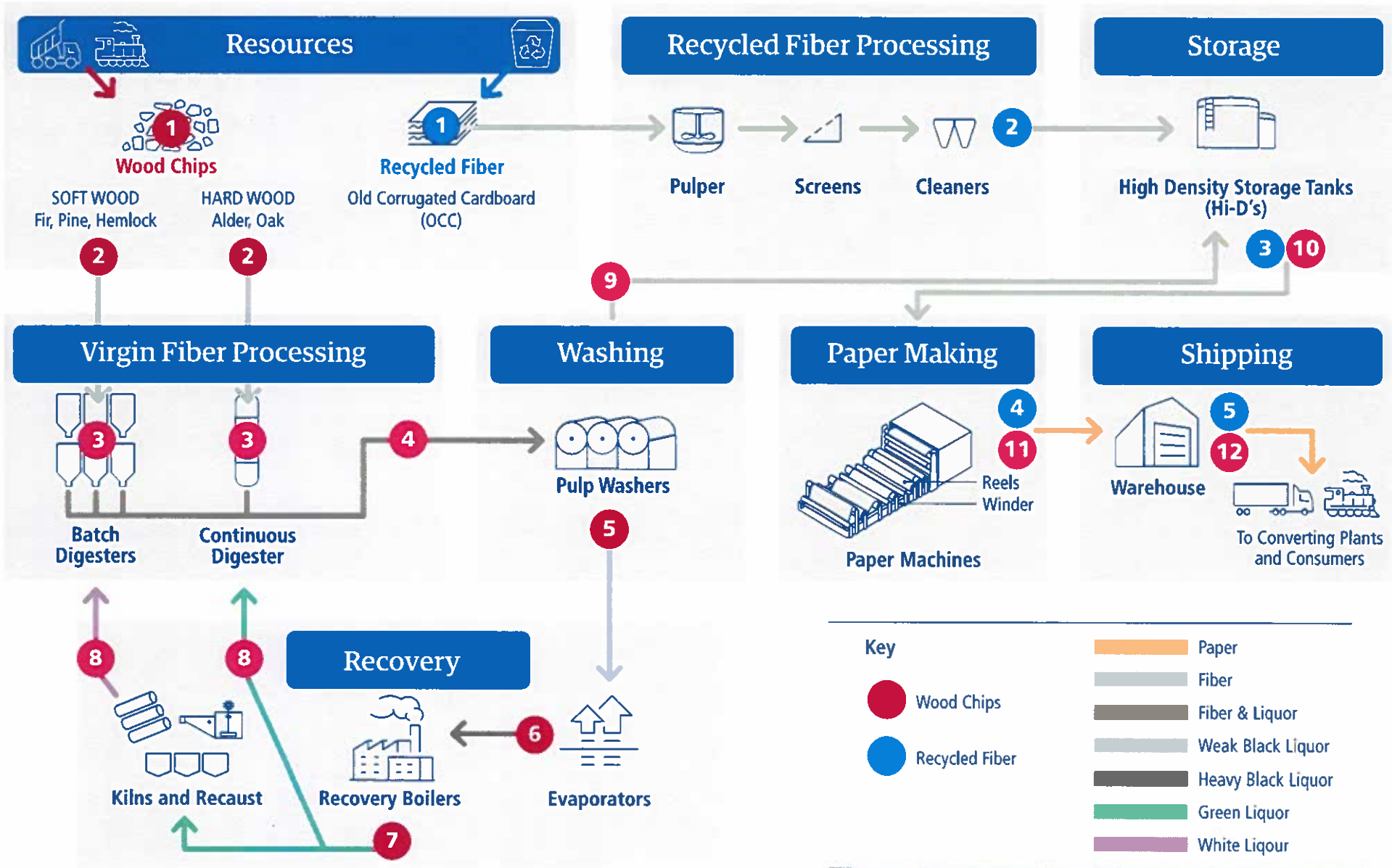
Capacity to produce over 2,500 tons per day or 900,000 tons per year on 3 paper machines.

Only facility within Koch Industrial Industries that can buy and sell electric power simultaneously.

50% average post-consumer recycled content in paper produced at Toledo (industry average is 46%).



Pulp and Paper Production



How We Manage Air Emissions



The Toledo mill generates air emissions from the energy we produce to run our facility and from the processes we use to make our products.

The mill manages two major types of air emissions:

- particulate matter (very small particles), such as paper dust or ash from burning fuel, and
- gases, which are generated during our manufacturing process.

We minimize and manage these air emissions in several ways.



Best Practices

The Toledo mill uses best practices in our manufacturing processes to help minimize the creation of air emissions at the source.

These best practices include reducing our overall use of energy, resulting in fewer air emissions.

We continuously measure our air emission levels and operating parameters to ensure that we are operating in a way that meets our permit limits and protects our employees, community and the environment.



Pollution Control Equipment

Pollution control devices are designed to reduce or eliminate the air emissions from our processes and to help the mill meet or do better than the limits set in our permits.

The mill uses electrostatic precipitators and scrubbers to control particulate matter emissions in compliance with our air permit limits.

We use power boilers that are all natural gas fired which is a cleaner fuel and doesn't require limestone addition.



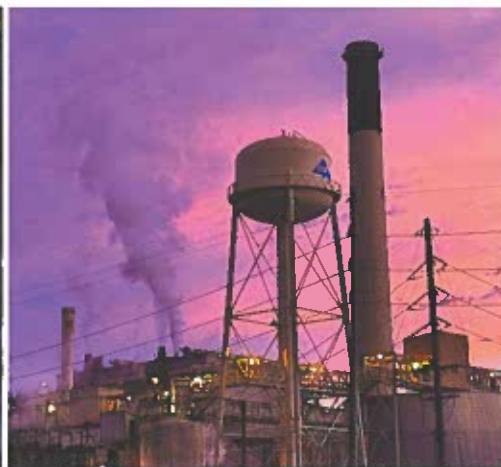
Permits

Federal and state environmental agencies issue permits that allow our mill to release a designated amount of air emissions. The agencies set limits for these emissions at levels that protect people and the environment. We challenge ourselves not only to meet our permit requirements, but also to perform better when we can.

Our top three emissions are:

- Greenhouse gases (GHGs)
- Carbon Monoxide (CO)
- Nitrous oxides (NO_x)

For more information on our permit, please visit <https://www.deq.state.or.us/aq/aqpermitsonline/SearchFilter.asp> and search for Georgia-Pacific.



Effluent Line



Effluent is treated process wastewater and stormwater runoff from the Georgia-Pacific facility. Effluent leaves the Georgia-Pacific facility and travels via pipeline to a permitted discharge zone located 4000ft offshore in the Pacific Ocean.


Late in 2023, a leak was identified in the Georgia-Pacific effluent line. Georgia-Pacific employees immediately notified appropriate agencies.

Georgia-Pacific is working with an engineering firm to do a review of the line and identify the most viable solution to complete a permanent repair.

In 2024, our work plans include:


- ✓ Investigate liner on shore
- ✓ Repair the leak with clamp style repair
- ✓ Dredge and investigate diffusers


Georgia-Pacific has begun the process of obtaining the permits needed to complete the repair and this work. These permits include:

 Joint Permit Application for the Army Corps, Department of State Lands, Department of Environmental Quality


 Evaluation of Natural Resources and an Effects Determination for Department of State Lands

 SLOPES Compliance Language for National Marine Fisheries Service

 Coastal Effects Evaluation report, Analysis of Enforceable Policies for Department of Land Conservation and Development

 Updated easements for Department of State Lands proprietary

 Ocean Shore Alteration Permit for Oregon State Parks

 Beach and Dune Area Site Review application for City of Newport

Although work schedules are dependent on permitting timeline, Georgia-Pacific is following the schedule below for effluent line repair work.



- ✓ Georgia-Pacific anticipates obtaining permits from various agencies to begin repair work
- ✓ Engineering study completed



- ✓ Repair work begins



- ✓ Ongoing repair work
- ✓ Next phase of repair determined based on engineering study

Community Engagement



Georgia-Pacific has been a proud member of the Lincoln County community since 1957.

At Georgia-Pacific, our focus is on being a good neighbor and community partner.



We have over 420 employees that live, work, and play here.

