

August 6, 2012
6:00 P.M.
Newport, Oregon

The City Council of the City of Newport met on the above date in the Council Chambers of the Newport City Hall. On roll call, Beemer, Allen, Bertuleit, Brusselback, McConnell, Roumagoux, and Sawyer were present.

Staff present was City Manager Voetberg, City Recorder Hawker, Community Development Director Tokos, Public Works Director Gross, Finance Director Marshall, and Police Chief Miranda.

PLEDGE OF ALLEGIANCE

The City Council and audience recited the Pledge of Allegiance.

ADDITIONS/DELETIONS AND APPROVAL OF THE AGENDA

It was agreed to remove action item B., notice of intent to award HVAC Replacement Project for City Hall. Gross explained that bids exceeded budgeted funds for this project, adding that it is best to not award the bid; set the funds aside; and budget for and replace the HVAC system next year.

It was agreed to add Resolution No. 3610, acceptance of the annual DLCDC Coastal Management Grant, as action item B.

CONSENT CALENDAR

The consent calendar consisted of the following items:

- A. Approval of minutes from the special and regular City Council meetings of July 16, 2012.

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

OFFICER'S REPORTS

Mayor's Report. McConnell appointed Teri Stafford to the Nonprofit Funding Review Task Force. MOTION was made by Beemer, seconded by Roumagoux, to ratify the Mayor's appointment. The motion carried unanimously in a voice vote.

McConnell noted that it was great to be back in Newport., adding that one of the big things that has occurred is the financing, through the Sister City Fund, to pay for removal of a piece of the tsunami dock. He reported on a recent meeting with HMSC and a Japanese newspaper reporter regarding placement of the piece of the tsunami dock. He noted that a site has been designated near the HMSC front parking lot for a

permanent location of the dock. He noted that an ad hoc committee should be assigned to work on this issue. He added that the dedication is planned for March 11 which will be the two year anniversary of the tsunami. He reported that he received a call from the City of Wenatchee, Washington, which is a sister city to the city the dock was originally located, and that Wenatchee would like at least a replica of the plaque that came off the dock. He reported that architect, Jeff Guggenheim, had offered pro bono services for the design of a permanent memorial.

City Manager's Report. Voetberg reported that the dock was a prime marketing tool.

Voetberg reported that the bottom of the Portland banner had been vandalized, and that the cost of replacement will be split with CBS.

Voetberg reported that the "for sale" sign near the Walgreen's site is for the property adjacent to Walgreen's.

Voetberg reported that the DNC is recommending marketing selection process changes, so that advertising proposals must be received several months in advance for DNC consideration. McConnell asked whether the DNC has created an internal advertising budget, and Voetberg noted that this is done seasonally.

Voetberg reported that last weekend the Parks and Recreation Department sponsored or hosted the Olalla Lake Triathlon; Seahorse Swim Meet; and the Quilt Show.

Voetberg reported that the LOC was seeking donations for scholarships. He noted that this was not budgeted. It was suggested that the topic be reviewed in the future.

Voetberg reported that there are budgeted dues for membership in OCZMA, but that a representative and alternate need to be selected. Allen and Roumagoux agreed to continue serving as representative and alternate respectively. Allen volunteered to develop a letter to OCZMA regarding what Council believes is important.

Voetberg reported that the Chamber of Commerce is planning to repair the building it leases from the city. It has requested a ten year extension of the lease which is currently set to expire in 2018. Voetberg will bring a lease extension until 2028 for Council consideration at the next meeting.

Voetberg reported that the capital project update is included in the packet. It was noted that the Big Creek Road repairs will be completed in September, and that three property owners need to provide a construction easement for the Ash Street project for which design is approximately 60% complete. The project will be done this year. It was reported that the bid opening for the South Beach water and sewer project will occur on August 22. There are commitments for easements, and the funding is in place.

Allen referenced the written manager's report that was sent via e-mail earlier in the day. He noted that the airport staffing situation seems to be a fairly significant change of direction. He asked Voetberg to elaborate.

Voetberg reported that Lance Vanderbeck is handling airport operations, and that Terry Durham is handling the FBO. He added that both are cross-trained and doing a great job. He added that another full-time person, and the temporary employees, are also cross-trained. He noted that he attended the Airport Committee meeting and heard glowing reports from that group as well as from users of the airport. He added that if it is working, there is no need to change it right now. Voetberg reported that airport improvements are being handled by Ted Jones, and a lot of the engineering is contracted to Precision Aviation. He reiterated that all airport needs are being filled with

current staff. He reported that after-hours issues came up this week, and that it makes sense to change titles and job duties to make Lance and Terry exempt employees. Allen asked whether Voetberg believes that an airport director will be necessary. Voetberg noted that he is open, but for now everything that is necessary is being done. Bertuleit noted that not hiring an airport director could make funding available for training, or airport infrastructure to increase economic development. Sawyer added that the Oregon Department of Aviation could assist with the technical aspect of FAA regulations. It was noted that these employees should be recognized in the near future.

Voetberg addressed the possibility of an FBO operator, other than the city, operating the FBO. He noted that a company that owns an FBO in Redmond, Oregon, Washington, and Alaska has expressed interest in the FBO. He added that this company has a firefighting unit and is in the midst of the fire season, and not quite ready to look at options at the airport now. He noted that the company has asked to be called back in September. Allen asked what the interest level of was, and whether there is anything that the city could do to enhance the opportunity. Voetberg reported that, several months ago, he was visited by a representative of this company, and that there was also a visit to the airport. Allen asked how large the company is, and Voetberg reiterated that it operates FBO's in three states. Allen noted that if a credible company is interested in the FBO, it is worth following up.

Voetberg briefed Council on the status of the potential relocation of the Tillamook Air Museum to Newport. He reported that the last communication he had with representatives of the Museum was a telephone call from Mike Oliver noting that the company would like to combine its firefighting operation and air museum, and that the development costs in Newport are so high, that they are going to look elsewhere. Allen noted that the city has already put \$75,000 into site preparation by using some of Mt. NOAA for fill. A discussion ensued regarding whether the museum would be interested if the city funds infrastructure improvements. Voetberg reported that this request had gone to the president of this business.

Marshall presented an historical timeline of the city's communication with the Port of Astoria regarding monies the Port owes the city from the air service. He reported that the last transaction was a letter from the Port's attorney rejecting the city's settlement offer. He noted that the city's legal staff had asked how the city wishes to proceed. He recommended that this matter be dropped, and that future similar arrangements should be staffed correctly; an appropriate management understanding with other entities should be in place; and a continual review of financial reports must occur. Beemer recommended taking Marshall's advice, noting that the Port of Astoria has no money. Allen stated that given that the letter came from the Port's attorney two months ago, and the City Council just found out about it, the matter should be placed on the next agenda for a decision. Voetberg noted that the Consortium must be dissolved, so these matters could come before Council at the next meeting.

Sawyer noted that Voetberg had informed the Airport Committee about the status of the Tillamook Air Museum on June 21, and asked why Council was not kept in the loop earlier. Beemer noted that it is unacceptable to find out a month and a half later.

Sawyer asked Voetberg whether he had appointed anyone to act in his stead when he was in Alaska recently. Voetberg noted that he didn't recall whether he had designated anyone, but that he typically designates Marshall or Miranda.

Tokos reported that the city had received a Scenic Byways grant, in the amount of \$557,696, for improvements at the Agate Beach Wayside. He recognized Lincoln County and the Surfrider Foundation for its assistance, and noted that this will be a two-year project.

DISCUSSION ITEMS AND PRESENTATIONS

Potential Sponsorship of Affordable Housing Employer Survey. Ben Baggett, interim director of the Lincoln County Land Trust, requested sponsorship and \$1,500 of financial assistance from the city's Housing Fund for staff support to conduct an Affordable Workforce Housing Survey among employees of Newport's largest employers. He noted that the survey would collect information on housing accommodations and needs directly from employees. Baggett was encouraged to determine whether Lincoln County, or other cities in Lincoln County, is interested in participating financially in this endeavor since the results might be useful to those entities. MOTION was made by Roumagoux, seconded by Brusselback, to sponsor an affordable housing employer survey, and contribute \$1,500 from the city's Housing Fund for staff support to conduct the affordable housing employer survey. Allen suggested that Baggett use his discretion in checking for interest from other entities. The motion carried unanimously in a voice vote.

PUBLIC HEARINGS

Consideration and Possible Adoption of Resolution No. 3609 Regarding Public Contracting Rules. McConnell convened the Local Contract Review Board, and opened the public hearing at 7:18 P.M. Gross was reported that the issue before Council is to hold a joint public hearing as the City Council and Local Contract Review Board to receive comment on the proposed public contracting rules for the city, and to consider adopting Resolution No. 3609 opting out of the Attorney General's Model Public Contracting Rules, adopting public contracting rules for the city, and repealing the city's existing public contracting rules. It was also noted that the City Manager has adopted a policy regarding the purchase of recycled materials and products.

McConnell called for public comment. There was none.

McConnell closed the public hearing at 7:19 P.M., for Council deliberation. Allen suggested, for consistency, adding the word "reasonable" before the word "effort" on page one of the policy regarding the purchase of recycled materials and products. MOTION was made by Brusselback, seconded by Sawyer and Beemer, to adopt Resolution No. 3609, a joint resolution of the City Council and the Local Public Contract Review Board, opting out of the Attorney General's Model Public Contracting Rules; adopting Public Contracting Rules for the city; and repealing existing Public Contracting Rules. The motion carried unanimously in a voice vote of the City Council and Local Contract Review Board.

Consideration and Possible Adoption of Ordinance No. 2040 and Resolution No. 3605 Establishing Fees for Court Payment Plans. McConnell opened the public hearing at 7:22 P.M. It was reported that the issue before Council is to hear public comment on the possible adoption of Ordinance No. 2040 and Resolution No. 3605 establishing fees for court payment plans and collection referral assessments. It was noted that the intent

of the legislation is to increase compliance with the payment of fines, and to cover some of the administrative costs incurred by the city in administering time payments of fines. A discussion ensued regarding the amounts listed in the resolution. It was agreed to leave Section 1. A. as is, and to delete 1.C., and amend 1.B. to read, "Fifteen percent of any amount owing in excess of \$150, with a maximum collection fee of \$125."

McConnell called for public comment. There was none.

McConnell closed the public hearing at 7:48 P.M., for Council deliberation. MOTION was made by Roumagoux, seconded by Brusselback, to read Ordinance No. 2040, adopting Chapter 2.40 of the Newport Municipal Code authorizing certain municipal court fees, by title only, and place for final passage. The motion carried unanimously in a voice vote. Voetberg read the title of Ordinance No. 2040. Voting aye on the adoption of Ordinance No. 2040 were Allen, Beemer, Bertuleit, Brusselback, McConnell, Roumagoux, and Sawyer.

MOTION was made by Allen, seconded by Brusselback, to adopt Resolution No. 3605, establishing fees for court payment plans and collection referrals, with the revisions made tonight. The motion carried unanimously in a voice vote.

Consideration and Possible Adoption of Ordinance No. 2039 Pertaining to the Use of City Facilities by Convicted Offenders. McConnell opened the public hearing at 7:54 P.M. It was reported that the issue before Council is the repealing of an ordinance pertaining to the use of city facilities by convicted offenders. It was noted the City Manager had issued an exclusion policy in place of this code provision, and that the first two exclusion orders were issued Friday.

McConnell called for public comment. There was none.

McConnell closed the public hearing at 7:58 P.M., for Council deliberation. MOTION was made by Sawyer, seconded by Roumagoux, to read Ordinance No. 2039, repealing Chapter 9.30 of the Newport Municipal Code, pertaining to the use of city facilities by convicted offenders, by title only, and place for final passage. Allen asked whether the City manager had the authority to put the policy into place, and stated that he would like clarification from the City Attorney whether it was appropriate to enact the policy administratively. Voetberg suggested Council adopt the policy at this time. Voetberg read the title of Ordinance No. 2039. Voting aye on the adoption of Ordinance No. 2039 were Sawyer, Roumagoux, McConnell, Brusselback, Bertuleit, Beemer, and Allen.

MOTION was made by Allen, seconded by Beemer, to confirm the City of Newport's "Exclusions from City-Owned Property and from Contacting the City by Telephone Policy," and in addition to confirming it, delegate to the City Manager the ability to put that into effect, as indicated; he did so on June 5, it's after the fact, but this is a confirmation of that delegation. The motion carried unanimously in a voice vote.

ACTION ITEMS

Notice of Intent to Award NW 3rd Street Project. Gross was reported that the issue before Council is the issuance of a notice of intent to award the NW 3rd Street Sidewalk Project 2011-013. He reviewed the proposed improvements. Voetberg noted that this includes the base bid and alternate. MOTION was made by Bertuleit, seconded by Sawyer, that the City of Newport Public Works Department issue a notice of intent to award the NW 3rd Street Sidewalk Improvement Project to Frank Construction in the

amount of \$162,149.80, and contingent upon no protest, authorize award and direct the City Manager to execute the contract after seven days on behalf of the City of Newport. The motion carried unanimously in a voice vote.

Resolution No. 3610 - DLCD Annual Coastal Management Grant. Tokos noted that this is the annual DLCD Coastal Management Grant, and that it is for \$9,000 to be used to offset part of the city's cost of administering land use planning on coast. MOTION was made by Sawyer, seconded by Allen, to adopt Resolution No. 3610, accepting the annual DLCD Coastal Management Grant. The motion carried unanimously in a voice vote.

Consideration of Resolution No. 3608 Supporting the Port of Newport's Pedestrian/Vehicle Safety Plan Task Force. McConnell noted that Council had received an update on this Task Force along with a list of appointees. McConnell asked who, on the list of appointees, was from the neighborhood besides Oly Olson. It was noted that Doug Wills, Jim Johnson, Lee Fries, and Rob Halverson are also from the neighborhood, as is Sunnetta Ransom, representing the Embarcadero. Walter Chuck, from the Port Commission, appeared before Council and responded to questions regarding composition of the Task Force. It was noted that everyone will be a voting member with the exception of city and port representatives and staff. Oly Olson discussed composition of task force, noting that he would like to see a more balanced Task Force. It was noted that staff suggested the following changes to the resolution: the lettering of the findings be sequential with the elimination of the duplicate C.; the new findings D. be amended to read, "The City Council of the City of Newport acknowledges that the proposed use of shipping timber products is a permitted use pursuant to the Newport Zoning Ordinance; and that the word "manner" be inserted in Section 4. before the word "deemed." MOTION was made by Beemer, seconded by Allen, to adopt Resolution No. 3608, supporting the Port of Newport's Pedestrian/Vehicle Safety Plan Task Force, as amended. The motion carried unanimously in a voice vote. Allen agreed to be the Council representative to the Task Force, with Beemer as alternate, and the staff representative will be Voetberg, who will assign appropriate staff.

Consideration of Destination Newport Committee Contract with CBS Outdoor. Voetberg reported that the next three agenda items relate to the advertising campaign funded through room tax. He added that each item had been vetted through the Destination Newport Committee and recommended affirmatively to the City Council. The first issue before Council is the consideration of an extended poster campaign targeting the Eugene/Springfield and Corvallis/Albany areas. MOTION was made by Beemer, seconded by Brusselback, to approve the extension on the poster advertising campaign in the Eugene/Springfield and Corvallis/Albany areas with DBS Outdoor Advertising in the amount of \$25,515. The motion carried unanimously in a voice vote.

Consideration of Destination Newport Committee Contract with OnDisplay Advertising. It was reported that this issue is the consideration of a billboard located on SW 4th and Oaks Streets in Portland. It was noted that a proposal was submitted by OnDisplay Advertising, and is recommended by the DNC. MOTION was made by

Brusselback, seconded by Roumagoux, to approve the billboard location at SW 4th and Oak Streets in Portland with OnDisplay Advertising, in the amount of \$19,200. The motion carried unanimously in a voice vote.

Consideration of Destination Newport Committee Contract with Oregon Coast Today. It was reported that the issue before Council is the consideration of a 26 week ad campaign with Oregon Coast Today. It was noted that a proposal was reviewed and recommended by the DNC. MOTION was made by Beemer, seconded by Roumagoux, to approve the proposal from Oregon Coast Today for a 26-week advertising campaign in the amount of \$5,980. The motion carried unanimously in a voice vote.

Consideration of Destination Newport Committee Contract with News Channel 21. It was reported that the issue before Council is consideration of a television commercial campaign. It was noted that a proposal was submitted by KTVZ News Channel 21, and recommended by the DNC. MOTION was made by Sawyer, seconded by Beemer, to approve the television commercial campaign with KTVZ News Channel 21 in the amount of \$6,000. The motion carried unanimously in a voice vote.

Allen asked Lorna Davis, Chair of the Destination Newport Committee, whether she thought \$325,000 would be spent on advertising by the end of the year. She reported that advertising is being done quarterly to provide better projections and avoid overspending. A discussion ensued on the tourism value of the dock removal.

COUNCIL REPORTS AND COMMENTS

Roumagoux reported that she attended the Oregon Government Ethics Commission training in Toledo. She noted that it was a great presentation that contained many good pointers. She noted that approximately half of the ethics cases are for executive session violations, and the other half are for financial conflicts of interest. She agreed to share the handouts with Council.

Allen reported that he attended a recent FINE meeting at which there was an update by Belinda Batten from the Northwest National Marine Renewable Energy Center. He added that this group will be deploying a test berth facility north of Agate Beach this month. He noted that public hearings will be held in August with Oregon SeaGrant because NNMREC along with Pacific Marine Energy Center will be looking at potential sites for grid connected test site, and Newport is one of the outreach areas for community input.

Allen reported that in the Mayor's absence, he issued a proclamation for Pathfinder Days.

Allen reported that he attended with Plastic Bag Community Plan Task Force meeting on July 26. The next meeting will be August 23, at which a potential conceptual framework will be discussed.

Allen reported that he attended the Town Hall meeting last week.

Allen reported that the Territorial Sea Plan process will soon include outreach for viewshed analysis. He noted that the analysis is being done at the county and city levels, and that this is scheduled to occur soon in Lincoln County. Tokos reported that the state has shared a basic methodology regarding assessment of scenic viewsheds

on the coast and is seeking input from local residents to ensure that the sites are appropriate. He reported that he has shared with information with the Planning Commission that has provided input. He noted that Bob Berman, a member of the Planning Commission Advisory Committee was interested in participating. Roumagoux and McConnell volunteered to participate. Tokos added that the assessment will occur the week of August 20.

Beemer reported that he attended the Town Hall meeting, and sat in on the opening of bids for the 3rd Street sidewalk project.

Bertuleit reported that a plein air group of about 120 people was in Newport painting at different locations including the Aquarium.

Bertuleit thanked Georgia-Pacific, Plum Creek, and Hancock Timber for allowing use of trails for the Triathlon. He added that this was a good event, and hopes it continues.

Sawyer reminded Council that he has an excused absence from the next meeting.

ADJOURNMENT

Having no further business, the meeting adjourned at 8:39 P.M.

Margaret M. Hawker, City Recorder

Mark McConnell, Mayor