

February 2, 2015
7:00 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, Allen, Roumagoux, Swanson, Sawyer, Engler, and Busby were present.

Staff present was City Manager Nebel, City Recorder Hawker, City Attorney Rich, Community Development Director Tokos, Finance Director Murzynsky, Fire Chief Murphy, Public Works Director Gross, Parks and Recreation Director Protiva, and Police Chief Miranda.

PLEDGE OF ALLEGIANCE

Council, staff, and the audience participated in the Pledge of Allegiance.

PUBLIC COMMENT

Rex Capri addressed Council regarding the partial street vacation hearing that will occur at the February 17, 2015 City Council meeting. He asked that the Mayor and City Council visit the site prior to reading the Planning Commission's recommendation. A discussion ensued regarding ex parte contact, and Rich noted that there is nothing wrong with a site visit on a vacation, but that it could be problematic if Council received a briefing from one side of the issue. It was noted that the applicant will have the opportunity to speak to the staff report at the hearing. Nebel added that the applicant can provide information for inclusion in the Council packets.

PROCLAMATIONS, PRESENTATIONS, AND SPECIAL RECOGNITIONS

Oath of Office of Rob Murphy - Fire Chief. Hawker administered the oath of office to Fire Chief Rob Murphy. Murphy's wife, Judy, pinned the Chief's badge onto his uniform, and Murphy introduced his family in attendance.

CONSENT CALENDAR

The consent calendar consisted of the following item:

- A. Approval of City Council minutes from the regular meeting of January 20, 2015, and the joint meeting with the Lincoln County Commissioners of January 21, 2015.

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

It was noted that interviews for the Budget Committee vacancy will be held at a work session prior to the next meeting. Allen requested that the application process remain open, and that Council interview the additional applicants if there are any.

COMMUNICATIONS

From the Destination Newport Committee - Recommendation for Awarding a Tourism Marketing Grant for the 2015 Coast Hills Classic Mountain Bike Race. Hawker introduced the agenda item. Nebel reported that at the November 20, 2014, Destination Newport Committee Meeting, the Committee recommended that Council authorize a \$2,000 tourism marketing grant for use by the City of Newport Parks and Recreation Department for promotion of the 2015 Coast Hills Classic Mountain Bike Race. He added that this will be the second year of funding to help promote this event. He stated that it is estimated that about a 1,000 visitors will be brought to the city for this event which is scheduled for Sunday, May 3, 2015, as staff has been marketing the event throughout the state.

MOTION was made by Sawyer, seconded by Busby, to approve the tourism marketing grant request for the amount of \$2,000 from the City of Newport Parks and Recreation Department for assistance with marketing and advertising of the 2015 Coast Hills Classic Mountain Bike Race to be held on Sunday, May 3, 2015. The motion carried unanimously in a voice vote.

CITY MANAGER REPORT

Status Report on Financial Reports for the First Six Months of the 2014/2015 Fiscal Year. Hawker introduced the agenda item. Nebel reported that Murzynsky and the Finance Department staff have prepared a financial report reflecting the revenues and expenditures for the first six months of the fiscal year through December 31, 2014. He stated that as staff develops a regular template for this report, we can fine tune the information that the City Council would like to see on a quarterly basis as it relates to the city's financial activity. He noted that the report contained in the packet is summarized by departmental totals and if revenues and expenditures flow evenly through the course of the year the revenues and expenditures should be at or near 50% of the budgeted amounts. He stated that this can vary significantly for funds such as debt retirement funds where payments and or receipt of funds may occur in a lump sum either early or late in the fiscal year. He added that there are some funds that are affected differently over the course of the season.

Nebel asked that Council communicate any questions on any of the revenues or expenditures recorded to date. He stated that staff anticipates having a budget amendment for consideration by the Council at the February 17 City Council meeting that will address a number of variances that have occurred through the course of the year including the creation of a City Attorney cost center. He added that the Finance Department has worked hard to ensure that the financial records are reflecting costs fairly through making sure journal entries are accomplished on a regular basis, and costs related to that time period are being posted in a timely way so that the financial reports are not distorted. He noted that it is important for the Council to review the financial status of the city on a regular basis through the course of the fiscal year. He

stated that at this point, staff is proposing a quarterly review, however the review could be on a more frequent basis if desired by the Council. He asked for Council thoughts on this format and the level of detail provided in the report contained in the packet. Council appreciated the information.

Participation in City Day at the Capitol on February 26, 2015. Hawker introduced the agenda item. Nebel reported that the League of Oregon Cities and the Oregon Mayors Association sponsors “City Day at the Capitol” to raise and address various municipal concerns related to legislative issues that cities will face in the future. He stated that these issues include property tax reform, transportation funding, medical marijuana regulation, protecting city right-of-way authority, and increasing mental health resources. He added that municipalities are encouraged to set up individual visits with legislators from 1:15 P.M. to 4:15 P.M., and to participate in a legislative reception to be held at Salem Convention Center from 4:30 P.M. to 6:30 P.M. He noted that the League asks that cities extend invitations to their legislators to participate in this reception. He added that if any Councilors are interested in participating, to let Hawker know so that she can submit registrations and set up appointments with legislators. He stated that it would certainly be beneficial if there is a delegation of Council members interested in participating in this day. He added that specific legislative priorities impacting the city could be addressed in order to prepare for meetings with legislators. He noted that February 26, 2015 is the first day of his vacation, so he will be unable to participate in this year’s “City Day at the Capitol.” He added that he would like to prepare a working paper to look at specific issues that are of concern to Council and staff. He stated that this is also a great opportunity to connect with other officials from across the state.

From the Newport Police Department - Annual SB111 Briefing on the Use of Deadly Force. Hawker introduced the agenda item. Miranda reported that the use of deadly physical force by law enforcement personnel is a matter of critical concern to the public and the law enforcement community. He stated that the purpose of a Deadly Force Plan is not to set the standards for the use of deadly force, or be a substitute for agency policy regarding the use of deadly force, but rather to provide a framework for a consistent response to an officer’s use of deadly physical force that treats the law enforcement officer fairly and promotes public confidence in the criminal justice system.

Miranda reported that in 2007, the legislature passed SB111 requiring each county to develop a deadly physical force plan. He stated the plan calls for the local Police Departments to annually educate members of the public and the media in the use of deadly force by law enforcement officers and the investigation of such incidents. Miranda showed a video regarding SB111 and the use of deadly force. He responded to Council questions.

Status Report on System Development Charges. Hawker introduced the agenda item. Nebel reported that at the December 1, 2014 City Council meeting, the Council approved a “cost of living” increase in the SDC charges that are assessed on new projects for the 2015 calendar year in accordance with the resolution governing SDC charges. He stated that at that time, Council requested a report and discussion on the impact that Systems Development Charges have on development and on the long-term finances for the citizens. He noted that while staff had planned to schedule this as a

work session, due to the relatively light agenda for the February 2 Council meeting, it has been incorporated as part of the regular meeting.

Tokos made a PowerPoint presentation regarding SDC's that included: purpose; definition of SDC's; definition of capital improvement; improvement versus reimbursement fee; methodology required; the city's history of SDC assessments; authorized expenditures; determining the amount of an SDC fee; determining the eligibility of capital projects for SDC assessments; what triggers and SDC assessment; SDC collections by fiscal year; SDC collections by type; comparison of fees for new single family construction; SDC collections heavily influenced by large projects; comparison of SDC eligible projects and collections by construction type; collections versus expenditures; beginning fund balances; significant SDC funded projects; actual versus projected funding need; why collections are off; growth projections; percentage of SDC eligible projects receiving credits; SDC credits; the impact of the methodology on restaurants relative to other commercial development; amending SDC's; and recommendations. Allen noted that he would be interesting in comparing similar business expansions and the methodology used in Lincoln City. Tokos noted that the methodology could be updated to fine tune the commercial ratios and allow a clean-up of the project list. Nebel noted that this issue will be discussed in the upcoming budget.

MAYOR AND COUNCIL REPORTS

Roumagoux reported that she met with Rich on January 22, and that she appreciates his open door policy.

Roumagoux reported that she and Bill Hall attended a lunch meeting on January 27 regarding the expansion of the OSU campus at the Hatfield Marine Science Center.

Roumagoux reported that she attended a YBEF meeting, on January 28, where Bob Cowen, HMSC director, talked about the campus expansion.

Roumagoux reported that she attended the quarterly ODOT meeting on January 29. She noted that there was a discussion regarding funding for highway maintenance.

Roumagoux reported that she met with the Lincoln County Mayors on January 30, in Yachats, and that the new Mayors were in attendance.

Roumagoux reported that she attended the Samaritan House tea on January 31.

Roumagoux reported that she attended an event at the Visual Arts Center.

Sawyer reported that he had also met with Rich.

Swanson reported that the Senior Advisory Committee met with John Baker.

Swanson reported that she attended a meeting of the city's Emergency Management Committee. She noted that one of the discussions focused on having name badges for employees.

Swanson reported that she participated in a City Center Newport Association tour of The Ark.

Swanson reported that she attended a meeting of the ad hoc Sister City Committee which is looking forward to the 50th anniversary of the Sister City relationship.

Swanson reported that she attended a meeting of the Public Safety Coordinating Council. She noted that a discussion ensued regarding the connection between mental health and homeless housing.

Swanson reported that she had talked with Fire Captain Helmricks who offered to teach a special class for the City Council on the work of the Fire Department.

Swanson reported that she believes that the length of time for work sessions is insufficient.

Busby reported that he attended a recent CWACT meeting at which funding for transportation was discussed. He added that there will be a ConnectOregon grant program this year. He noted that the group is looking for members to serve on its executive committee.

Busby reported that he had also met with Rich.

Busby reported that he attended a recent meeting of the Port of Newport. He noted that the Port has officially cancelled construction of its administrative headquarters; evaluated its general manager; and announced that Teevin Brothers has no definite plans to go forward with the log exporting operation, but plans to keep its permits and approvals in place.

Engler reported that she attended the recent LOC "Elected Essentials" workshop, and added that the LOC plans to place the session hand-outs on its website.

Engler reported that she also met with Rich.

Engler reported that she had registered for MindMixer earlier today.

Allen reported that he had met with Rich during the interview process, and had also talked, with Rich, about ordinances separate from the meetings with the Councilors.

Allen reported that he attended an OCZMA meeting on January 23. He added that he had sent the meeting materials to Council. He stated that Representative Gomberg and Senator Roblan attended the meeting and gave a legislative update. He added that Gabrielle Goldfarb, of the Governor's Office, and Brett Brownscombe, of ODF&W were also in attendance. He noted that Senator Roblan and Representative Gomberg had read about the HMSC capacity issues, and that by way of explanation, he had forwarded Tokos' e-mail that he had sent to Cowen. He added that this was an issue-oriented meeting with discussion on ocean renewable energy. He noted that several bills are being proposed and he will update Council regarding status of these bills.

Allen reported that he had attended a meeting of the Retirement Board of Trustees at which Nebel provided documentation to the Board regarding its responsibilities, City Council responsibilities, and staff responsibilities. He noted that the defined benefit plan is about 85% funded, and that Nebel will present a formal report to the City Council. Nebel reported that he believes there is an understanding of the roles of the current Trust that is investing the pension funds. He noted that there is a pension board on the books that no longer exists and no longer has a role. He added that he will be working on a simpler explanation of the various roles that will become a part of an overall policy. He stated that the defined benefit has also made a good recovery, and that pension investments are doing well. He noted that in 2012, the city eliminated new members from the defined benefit portion of the plan, so the number of covered employees will continue to shrink until everyone in the plan has retired. Allen noted that the quarterly investment report is from West Coast even though Columbia is the overarching organization. He added that West Coast has been on board has been since 2007 when, previous to that time, insurance contracts were used as investments. He stated that the city is now using professional investors for consistency with market conditions.

Nebel reported that staff is working with the Oregon Government Ethics Commission to present a training in Newport. Council agreed that February 20 would work followed by a Council orientation session. Engler reported that she has not received the last part of her orientation which is the tour. Nebel noted that staff would try to schedule this

before the end of the month, and Engler stated that she would especially like a tour of city-owned property in the downtown area.

ADJOURNMENT

Having no further business, the meeting adjourned at 8:17 P.M.

Margaret M. Hawker, City Recorder

Sandra N. Roumagoux, Mayor