

February 3, 2014  
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, Roumagoux, Beemer, Allen, Busby, Swanson, and Sawyer were present. Saelens was absent.

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

### PLEDGE OF ALLEGIANCE

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

MOTION was made by Swanson, seconded by Beemer to formally excuse Saelens from this meeting. The motion carried unanimously in a voice vote.

### CONSENT CALENDAR

The consent calendar consisted of the following items:

- A. Approval of City Council minutes from the City Council work session and regular meeting of January 21, 2014, and the joint meeting with the Lincoln County Commissioners of January 15, 2014.
- B. Confirmation of the Mayor's appointments of Martha E. Adcox to the Senior Citizen Advisory Committee; and Fred Springsteen to the Audit Committee.

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

### PUBLIC HEARING

**Public Hearing and Possible Adoption of Ordinance No. 2062, Amending Ordinance No. 1922, as Amended by Ordinance No. 1931, Relating to the 2007 Annexation of 102.23 Acres in South Beach.** Roumagoux reported that the next item on the agenda was a public hearing on the possible adoption of Ordinance No. 2062, amending Ordinance No. 1922, as amended by Ordinance No. 1931, relating to the 2007 annexation of 102.23 acres in South Beach. Hawker read the title of the agenda item.

Nebel reported that on June 18, 2007, the Newport City Council adopted Ordinance No. 1922 which provided for the annexation and zoning of 102.23 acres of property in South Beach. This property included a site for the Oregon Coast Community College along with Phase 1 of the Wilder Planned Development and Landwaves, Inc. He noted that the Oregon Department of Transportation appealed the City of Newport's decision which resulted in the affected parties entering into a settlement agreement which

included making upgrades to the intersection of SE 40<sup>th</sup> Street and US 101 and imposed a “trip cap” of 180 peak hour vehicle trips attributed to new development at this improved intersection. He added that these provisions were incorporated in Ordinance No. 1931 which amended the original annexation Ordinance (No. 1922).

Nebel reported that since that time, the city has extended the duration of the South Beach Urban Renewal Plan to create a funding source for right-of-way and intersection improvements including updating its Transportation System Plan. He added that Lincoln County adopted the complementary changes to its Transportation System Plan, and the State of Oregon agreed to allow more congestion on US 101 in South Beach through utilization of alternative mobility targets which were recently approved by the Oregon Transportation Commission through an amendment on December 18, 2013.

Nebel noted that on December 10, 2013, Bonnie Serkin, Chief Operating Officer for Landwaves, Inc., submitted a letter to the City asking that the limitations included on Ordinance No. 1931 be eliminated based on the subsequent actions. He reported that the City Council initiated amendments to the land use ordinance on December 16, 2013 to make these necessary changes. He added that the required notice had been placed with the Department of Land Conservation and Development for the Planning Commission and City Council hearings, and in the Newport News-Times on January 3, 2014, and on January 24, 2014 respectively. Nebel noted that Ordinance No. 2062 will repeal sections 3(B), 3(C), and 3(D) of Ordinance No. 1922 eliminating the reference to intersection improvements to S.E. 40<sup>th</sup> Street and US 101; eliminating the prohibition for the city to issue building permits for land uses in the annexed territory which would generate more than 180 peak hour trips; and utilizing instead the provisions in the City of Newport Transportation System Plan, Lincoln County Transportation System Plan and the State of Oregon Highway Plan, which places new, more flexible, mobility targets for US 101 and eliminating the parameters on how the analysis would be performed to establish compliance with the previously established quota of 180 peak hour trips.

Nebel recommended that the City Council approve, by voice vote, a motion for reading Ordinance No. 2062 by title only, an ordinance amending Ordinance No. 1922, as amended by Ordinance No.1931, relating to the 2007 Annexation of 102.23 acres in South Beach.

Roumagoux opened the public hearing at 6:08 P.M.

Nebel reported that a letter had been received from Bonnie Serkin, from Landwaves, Inc. in support of the changes.

Roumagoux called for public comment. There was no public comment. Roumagoux closed the public hearing at 6:09 P.M. for Council deliberation.

MOTION was made by Allen, seconded by Beemer, to read Ordinance No. 2062 by title only, an ordinance amending Ordinance No. 1922, as amended by Ordinance No.1931, relating to the 2007 Annexation of 102.23 acres in South Beach, and place for final passage. The motion carried unanimously in a voice vote. Voting aye in a roll call vote on the adoption of Ordinance No. 2062 were Busby, Beemer, Swanson, Sawyer, Allen, and Roumagoux.

## COMMUNICATIONS

Salmon for Oregon - Update on Spring Chinook Project by Jim Wright. Nebel introduced this agenda item. He noted that Salmon for Oregon has been working with

the Oregon Department of Fish and Wildlife (ODF&W) to move this project forward. He added that in addition, Salmon for Oregon (SFO) has been granted 501(c)(3) status from the IRS as a public charitable organization. He stated that in January of this year, SFO held an open house in Newport where more than 200 interested parties participated in a discussion about the proposal for a spring Chinook project for Yaquina Bay. He noted that SFO has obtained significant contributions from various organizations and individuals to offset costs that would be necessary to go forward with this initiative. He stated that SFO is requesting that the City Council consider a commitment of \$5,000 toward the efforts of the SFO to bring this project to final fruition.

Nebel reported that in reviewing the city's policy for tourism and related projects, the city has relied on two sources of funds relating to these types of requests. He added that for infrastructure costs, which would probably be appropriate for the costs to develop the required net pen rearing facility, the City Council has utilized the Tourism Facilities Grant Program which was discussed at the last City Council meeting. He noted that based on this discussion, the Council has requested an appropriation amendment to be made to secure the original final commitment of \$100,000 in grant funding for infrastructure improvements relating to tourism within the City of Newport. Nebel stated that the second source of grant funds is the Tourism Marketing Grant Fund. He added that the purpose of this grant program is to promote tourism and increase stays in lodging establishments within the City of Newport with priority given to events and activities scheduled for the off season (September 15 through June 15). Nebel noted that in both cases, there is a separate review process for granting the funds which SFO could be afforded. He added that he anticipates a budget amendment will be brought before the City Council at the second meeting February to address the Tourism Facilities Grant funds so that this application process could be reinitiated for a final round, and that it could potentially be funded yet this fiscal year.

Jim Wright, Executive Director for the Salmon for Oregon Association, made a presentation on the Salmon for Oregon efforts to create a spring salmon fishery in Yaquina Bay. He reported that the program includes the creation of net pen rearing and the release of hatchery stocks of Chinook salmon into the bay which would, in time, create a spring salmon fishery as the fish return to the location at which they were hatched. He noted that this would have a positive economic impact on tourism, including lodging, guide services, charters, sport and commercial fishing, and other impacts on the local community. Wright requested that Council consider committing \$5,000 to assist in completing this project.

Allen noted that he attended a recent public forum at which 10 - 15 ODF&W staff were in attendance. He noted that the Coastal Multi-Species Conservation Plan seems like it went through a rigorous process. Wright added that the plan balances both extremes of the equation and everything in between. He noted that he is working on a similar plan in Coos Bay.

Tom Simpson, a member of the U da Man fishing tournament organization, stated that this group supports Salmon for Oregon and ODF&W in their efforts to bring this project to Newport. Allen asked whether the Oregon SeaGrant still supports the project, and Wright reported that Dr. Lankamer, of the Oregon SeaGrant, is supportive of these efforts.

Swanson asked where the pen would be built, and Wright noted that the location is yet to be determined. Swanson asked whether the fish would be tagged, and Wright responded that the fish would be tagged pursuant to ODF&W protocol.

Busby asked about the self-sustainability of the project. Wright noted that the project could be compared to stocking a lake with trout. Dean Fleck reported that the fish will not reproduce on their own.

Beemer noted that there are five other people in attendance who support this issue.

Swanson asked about the U da Man, and Simpson explained that it is a fishing tournament. He encouraged Council support of the project.

Allen noted that the project would provide or enhance the tourism component of recreational fishing in the community. Wright agreed that the fish would provide the gift of spring tourism in the region and asked that Council seriously consider the request.

Nebel noted that this request could have both a tourism facility and tourism marketing component. He added that he will bring a recommendation to Council on the matter.

Allen requested an update on the U da Man tournament. Simpson reported that approximately 25% of the participants come from out of town. Simpson stated that he understands the economic impact of sport fishing in the community.

Roumagoux reported that she spent many years in the south where bass fishing tournaments were held. She noted that these tournaments were incredible economic drivers for the small towns.

Nebel recommended that if Council wishes to support this issue, it direct SFO to one of the city's appropriate grant sources for consideration of possible funding. He added that the issue could also be deferred to the fiscal year beginning July 1, 2014 or as suggested by Council.

MOTION was made by Allen, seconded by Beemer, to direct the City Manager and staff to look at the request from Salmon for Oregon for initially \$5,000 for the tourism and promotion efforts, and perhaps in the future additional funding for some of the infrastructure components of the project and to report back to Council at the next meeting. The motion carried unanimously in a voice vote.

## CITY MANAGER REPORT

Roumagoux asked the City Manager for his report.

**Schedule a Public Forum Regarding Curbside Compostables Program through the City's Solid Waste Agreement with Thompson's Sanitary Service.** Nebel reported that on April 1, 2013, the City Council assigned Councilors Mark Saelens and David Allen to discuss possible curbside composting opportunities with Thompson's Sanitary Service. He added that a series of meetings were held with a report being provided to the City Council at the November 18, 2013 meeting regarding the possibilities of including a provision for the collection of compostable waste from residential customers in the City of Newport. He noted that this would include various forms of yard, garden, and food waste which would be placed in containers separate from the recycling and household waste containers. He added that the materials would be collected curbside and transported to a composting facility. He stated that this would reduce the amount of compostable waste entering the landfill; reduce the volume of household refuse that

would be collected at homes and transported to landfills; and provide additional service to property owners who must deal with yard waste on their own. He noted that, at the noon work session, Thompson's Sanitary Service gave the City Council an overview of the preliminary findings that resulted from a survey. Nebel added that there would be additional costs for the compostable component of the waste stream, but that in some cases, this service may reduce the cost to property owners who are currently placing compostable waste in their regular garbage containers. He noted that Councilors Saelens and Allen are recommending that the City Council proceed with a public forum before the Newport City Council at the February 18, 2014 City Council meeting at which representatives from Thompson's Sanitary Service will make a PowerPoint presentation outlining how this type of program could work within the City of Newport.

Nebel recommended that the City Council schedule a public forum at the February 18, 2014 City Council meeting at 6:00 P.M.

MOTION was made by Beemer, seconded by Allen, that the City Council establish a public forum to be held at the February 18, 2014 City Council meeting, at 6:00 P.M. for public input on the proposed curbside compostables program. The motion carried unanimously in a voice vote.

**Approval of ODOT Right-of-Way Services Agreement and Authorization of Additional Funding For Highway 101 Pedestrian Safety Project.** Nebel reported that in July 2012, the city entered into an agreement with ODOT to fund eight pedestrian crossing improvements on Highway 101 between Bayley Street to the south, and 15<sup>th</sup> Street to the north. He added that the original project was estimated by ODOT to cost \$502,000, with the 2011 Flexible Funds Program providing \$450,000, and the city providing \$52,000. He noted that as the design process has proceeded, ODOT has determined that additional right-of-way will be required as part of this project. He stated that with this and other factors, the revised project cost estimate is \$852,000 which results in a funding shortfall of \$350,000 for this project.

Nebel noted that in order to proceed with this project, it is necessary for the City Council to authorize an ODOT right-of-way services agreement which requires authorization of additional funding for this project. He added that since the city did not feel it should bear the entire cost of this additional funding, staff has held off on presenting this agreement to the Council for approval. He noted that since that time, several meetings with ODOT have occurred and a plan has been put together for addressing the balance of the funds necessary to complete this project. Nebel reported that the ODOT Bike and Pedestrian Program is willing to contribute an additional \$100,000 toward the project as long as the scope of the project remains the same. He added that additionally, ODOT staff is presenting a request to the Region 5 Area Managers to provide up to \$100,000 toward meeting these financial needs. He noted that this leaves a shortfall of \$150,000 which, if approved by the City Council, would need to be appropriated in the FY 14/15 budget for construction that would likely occur in the early winter of 2015. He stated that this would bring the city's commitment for these eight pedestrian crossing improvements on Highway 101 to \$202,000 toward the revised project cost estimate of \$852,000. He indicated that he has yet to receive confirmation on the Region 5 monies. He added that it is important for staff to understand Council's commitment to go forward with the project.

Allen noted that this will utilize nearly 33% of the city's infrastructure monies, and that the Infrastructure Task Force had developed projects which relate to the infrastructure fee. Gross reported that the city only recently became aware of the cost implications. Allen reiterated that this would remove 30% of the infrastructure fee that was a large component of the Infrastructure Task Force discussions. It was noted that Nebel was going to get back to Council regarding the financing of projects. Nebel added that as far as the issue of where these funds will come from, this was identified as one of the possible sources. It was noted that ODOT requires the city to make a commitment toward funding the project or cancelling it, and if it is cancelled, the city would be responsible for monies spent to date. Nebel suggested that based on not getting the full commitment from ODOT prior to tonight's meeting, that staff have a few more weeks to work on this issue. He added that two specific questions need to be answered: (1.) is it the desire of the City Council to go forward with the pedestrian safety improvements based on the parameters in the report to the City Council; and, (2.) where should the funds come from. Allen noted that this is an important project that needs to move forward. He added that the motion, in the staff report, designates that a certain pot of money be used. He noted that if we move forward, and commit additional funding, that this should be a part of the overall comprehensive look as a part of the goal-setting session.

Beemer noted that he supports Allen's comments. He added that he is disturbed that the city obligated \$52,000 and now it is \$200,000, of which the city was only recently advised.

Gross reported that he is equally frustrated by this process as the cost has increased and the scope of the project had not changed. He added that he is not concerned about not committing the source of funding, but that he is under the gun by the state to commit funds so that the state can obligate the construction funds in a short period of time or the funds will be used elsewhere. Gross noted that the city has been delaying the right-of-way agreement since July because it is unsure about costs or where the dollars would come from. He added that the city needs to be able to commit dollars for next year with the source to be determined at a later date.

Beemer noted that this has to be done. Sawyer added that a lot of work has been done by Gross and the Public Works Department staff and the Bicycle/Pedestrian Advisory Committee. He noted that this is a valuable project; he does not like the state's position; but the project has to move forward. Allen noted that if the city does not move forward, it would have to pay \$130,000 out of pocket. He asked where this money is coming from and whether it is a part of a larger comprehensive plan. Nebel noted that under the existing ODOT agreement, nothing would limit further costs. He added that it is the staff's goal to make sure there is a limit and not an open checkbook. Allen added that ODOT agreements are standard state agreements that do not vary much. He asked Nebel whether it is his sense that if the city moves forward with additional funding, a conversation would take place with the state to let them know of Council's concern. Nebel reported that had spoken with the City Attorney regarding an approach to addressing this issue. He added that, through a letter of understanding, or something similar, he wants to make sure that everyone is on board with what the city and ODOT are agreeing to do. Gross reported that the right-of-way agreement is separate from the commitment of \$150,000, but that the right-of-way agreement needs to be approved to obligate the project. Busby asked whether it would be advantageous to apply further

pressure. Gross suggested a discussion with state officials regarding the state's project management process and philosophy. Allen noted that the legislature is meeting in short session, and that several active coastal legislators want to see fair treatment. He suggested communicating with the coastal legislators.

Nebel recommended that the City Council certify that \$150,000 in local funding be committed in the 2014-15 fiscal year in addition to the \$52,000 appropriated in the current fiscal year for the US 101 pedestrian safety improvements.

MOTION was made by Swanson, seconded by Allen, that the City Council certifies that \$150,000 in local funding be committed in the 2014-15 fiscal year in addition to the \$52,000 appropriated in the current fiscal year for the US 101 pedestrian safety improvements. The motion carried unanimously in a voice vote.

**Response to the Bicycle/Pedestrian Advisory Committee Regarding Project Priorities**. Nebel reported that on December 16, 2013, the Bicycle/Pedestrian Advisory Committee presented four priorities for improvement to the city's bicycle and pedestrian systems to the City Council. He added that those priorities included the continuation of sharrows on city streets; a trail from NW Park Street to Oceanview Drive; a trail connecting the Agate Beach State Park trail to the sidewalk on Highway 101; and installation of sidewalks on Abbey Street to the Bayfront to address the curves and steep slopes at this location. He noted that at the work session, he recommended that Council refer this matter back to staff with a report being provided to the City Council at the first meeting in February as to how the city may be able to proceed with the specific recommendations.

Nebel noted that the city has focused on many pedestrian and bicycle improvements in recent years including the ADA accessible sidewalks along Naterlin Drive; sidewalk connections to Yaquina Bay State Park under the north end of the Yaquina Bay Bridge; the completion of many missing sidewalk connections including those along SE 9<sup>th</sup> Street at City Hall, NE 3<sup>rd</sup> Street along the Lincoln County Fairgrounds, and on NW Nye Street along Betty Wheeler Field. He stated that the sharrows have been installed on 6th Street from NW Coast Street to NE Eads Street and along Oceanview Drive from Highway 101 to NW Coast Street. He added that there are a number of current projects in place relating to pedestrian and bicycle safety with perhaps the most significant project being the pedestrian crossings on Highway 101. He stated that at a staff level, it is the recommendation to the City Council that the sharrow program be continued with a like number of sharrows to be installed on an annual basis to facilitate the ultimate renewal of sharrows as they need to be replaced in the future. He noted that as to the three specific projects, he recommends that a feasibility study and preliminary engineering on those projects be done by the city engineering staff with that work being completed by January 2015. He stated that this would allow for the possible consideration of one or more of the projects to be included in the 2015-16 fiscal year budget.

Allen noted that he had missed a lot of the work session where the Committee made its presentation to Council, but that the handouts were very explanatory and he was able to get up to speed on this issue.

MOTION was made by Busby, seconded by Beemer, to direct the city administration to review the Bicycle/Pedestrian Advisory Committee recommendations as part of the upcoming budget process in accordance with the report from the City Manager with a

budget being proposed to continue the sharrow program in FY 2014-15 at similar levels to the current fiscal year, and conducting feasibility studies on the three remaining projects with those studies being completed by January 2015 for possible incorporation in in the 2015-16 budget or later fiscal year budgets. The motion carried unanimously in a voice vote.

**Annual Update on the Use of Force as Required by SB 111.** Nebel reported that state law requires each county to develop and approve a plan regarding the use of deadly physical force by law enforcement agencies. He added that this plan outlines various procedures regarding the investigation of the use of deadly force, as well as a provision for educating the public on the plan. Miranda distributed two handouts and played a video as part of his effort to inform and educate the City Council and community consistent with the county plan.

**Revised Budget Schedule.** Nebel reported that the packet contains a revised budget schedule incorporating the modification and budget dates requested by the City Council at the January 21, 2013 City Council meeting. He asked that Council enter the following dates into their calendars:

Monday, February 24, 2014 9:00 A.M. - 3:00 P.M. - Goal setting meeting with City Council and department heads;

Wednesday, March 12, 2014 at 6:00 P.M. - Preliminary meeting of the Budget Committee

Friday, April 18, 2014 - Budget documents are distributed to the Budget Committee

Wednesday, April 30, 2014 at 6:00 P.M. - The first Budget Committee Meeting

Wednesday, May 7, 2014 at 6:00 P.M. - The second Budget Committee Meeting

Wednesday, May 14, 2014 at 6:00 P.M. - The third Budget Committee Meeting

Monday, June 16, 2014 at 6:00 P.M. - Budget public hearing and adoption by City Council

## **REPORT FROM THE MAYOR AND COUNCIL**

Roumagoux reported that she attended a recent YBEF meeting with Allen and Nebel. She noted that there was an update on grant funding for renovations at the Port of Toledo.

Roumagoux reported that she and Swanson had attended the ceremonial groundbreaking for the Center for Health Education at the hospital.

Roumagoux reported that she had attended the recent board meeting of the Oregon Mayor's Association.

Roumagoux reported that she had attended the Children's Advocacy Center dinner and dance as a guest of Bill and Joann Barton.

Roumagoux reported that on February 6, she will give a presentation about her exhibit at the Corvallis Art Center.

Sawyer reported that he had attended the recent COG transportation meeting. He noted that there was information regarding ODOT funding, the Highway 20 project, and paving between Newport and the Alsea Bridge.

Swanson reported that she attended a recent meeting of the Senior Advisory Committee. She added that the Center is looking at its fees, and she reviewed upcoming events, including the Mad Hatter Tea Party and Wii bowling.

Swanson reported that the Library has started a project for developing a strategic plan and building assessment. She added that the Library Board will be making presentations on what they want Library to be in the future.

Allen reported that he attended the recent YBEF meeting as a private citizen. He noted that there was a good update from Bud Shoemake, General Manager of the Port of Toledo.

Allen reported that he attended the ODF&W public meeting/forum regarding the Coastal Species Conservation and Management Plan.

Allen reported that he attended the public forum/presentation from the Lincoln County Fair Board and EcoNW on the future of the Lincoln County Fairgrounds. He noted that the consultants presented ideas for the overhaul of the fairgrounds, but the big issue is funding. He added that an initial report to the Board of Commissioners is expected in April.

Allen asked Nebel whether he had gotten information from Lorna Davis, Executive Director of the Greater Newport Chamber of Commerce, regarding the requested breakdown of the \$172,000 that the city gives the Chamber.

Allen noted that the new agenda and packet format is good. He added that there are a lot of action items under the City Manager's report, and asked whether there should be a note that the City Manager's report contains action items in order to give folks a heads up.

Roumagoux reported that she also likes the new format as it is a good process. Nebel urged Council to share other ideas with him as he plans to continue working on what format works best.

## ADJOURNMENT

Having no further business, the meeting adjourned at 7:47 P.M.

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Margaret M. Hawker, City Recorder

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Sandra R. Roumagoux, Mayor