

MINUTES
City of Newport Planning Commission
Work Session
Newport City Hall Conference Room 'A'
Monday, October 8, 2012

Planning Commissioners Present: Jim Patrick, Mark Fisher, Rod Croteau, Gary East, Jim McIntyre, Glen Small, and Bill Branigan.

Citizens Advisory Committee Members Present: Bob Berman and Lisa Mulcahy.

City Staff Present: Community Development Director (CDD) Derrick Tokos, Public Works Director Tim Gross, and Executive Assistant Wanda Haney.

Audience Members Present: Suzanne Dalton.

Chair Patrick called the Planning Commission work session to order at 6:00 p.m. and turned the meeting over to CDD Tokos.

A. Unfinished Business.

1. Discussion about annexation and UGB amendments for the old quarry site off NE 71st St and City reservoir properties. Tokos said that there are two issues in terms of amending the UGB. He began the discussion with the reservoirs. He noted that Tim Gross had a brief PowerPoint presentation. Gross noted that there is an upcoming ODOT forum on Friday that will be looking at seismic and earthquake activity dealing with bridges in particular. He said there will be a number of presenters. Gross said that his presentation deals with geologic and seismic assessments, where the water comes from, where it's stored, and seismic issues with the dams. He noted that last year's production was 726 million gallons. The daily average is 2 million gallons, and the maximum is 5 million gallons daily. The City has water rights from the Siletz, which comes into Blatner Creek, and then comes into the Big Creek system. Gross showed the overland plan for that whole line. The lower water storage capacity is 200 acre feet for reservoir one, and 970 acre feet for reservoir 2. In 2010, the City started construction on a new water plant and new intake. The existing piles did not have sufficient stability, so they had to build the intake on new piles. Soil tests were taken to see what kind of piles could be used. The dam was built on material that was soupy and clay like. It was determined that in an earthquake of any magnitude, the reservoir would fail. Gross noted that of four of the most hazardous dams on the coast, Newport has two. He said the lower dam is a foregone lost. Because of the soil stability, there is no hope in saving it. The upper dam maybe could be salvaged. The intake stage had to be moved below the dam; and even there, they had to run 40-60 foot piles. Geotechnical analyses of the dams were done, which showed clay-like soil, sandy, wet soil, and soupy goop in the bottom. The upper dam was mostly sandy. The upper dam was built with a keyway. Calculations for liquefaction and cyclic softening were done to determine the factor of safety (FOS), which is how much strength it has depending on how much load is being put on the structure. For the lower dam, the FOS was 0.40; for the upper, the FOS was 1.06. Gross showed a map of the inundation area due to dam failure. He noted that this shows the sunny day inundation for both dams. He said dam failures could mean deaths, but the real threat to the community is that there is no water for 10,000 people. Gross noted that they never open the draw-down gate at the lower dam because they couldn't close it because it is so old. He said the upper dam will likely have to be rebuilt. What to do is now up in the air because of costs, when to do it, and how. He said the City is running right at the limit now. If the storage is lost, the City will be doing water rationing.

He said this will segue to why the City is looking at this annexation. The City/County boundary splits the lower dam in half. To do repairs involves the trouble and time of going through the County. Gross talked briefly about Rocky Creek as a source for water. He said that Lincoln City wasn't interested, and that needs to be a regional water system. Tokos said that as we go through this, alternatives analysis has to be done. There is no other viable alternative for what we are wishing to do. He noted that the City cannot annex outside the UGB. Even if that changed, we would have to apply the T-C zone. Tokos said this is going to be challenging. The State is not on board with this. They are digesting it. This is over 500 acres, which is a big deal. In the State's view, that is a lot of commercial timber land. It would probably never be used for that, but their view is that it is timber land that would be taken out. The State is going to require that we have a great deal of analysis and good solid proof to support an annexation of this size. It would have a comp plan designation of Public. Some would be zoned P-3 where we don't envision utility work. Tokos said there are two reasons for the UGB amendment and annexation. From the Public Works side of things, we don't want the extra County process. State law requires a conditional use process for any of that. With that County process, there are a lot of standards. The big one is that we have to demonstrate that what we are doing won't impact timber. We would have to record deed restrictions. We don't want to have to do that on our domestic water supply. We don't want to have our hands tied by deed restrictions should we feel it is necessary to seek recourse because of turbidity. Tokos said that is how he positioned it with DLCD. He said this is a planned expansion area with the County. The

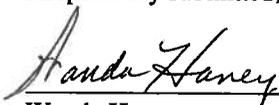
City Council met with the County Board of Commissioners. The County's issue has to do with whether the City will take over Big Creek Road and continue recreation in the area. He said we will have to deal with those as we go through this. In terms of the State, they will look at this with critical eyes. He said that this can be initiated by the Planning Commission or the Council. The Lincoln County Commission is looking for the Planning Commission to initiate the process. There will be public hearings before the City Planning Commission, County Planning Commission, the City Council, and the Board of Commissioners. The City and County have to agree. Tokos said that he doesn't think that the County will be the obstacle; he thinks the State is the bigger challenge. Tokos outlined in his memo what the full scope of the requirements are. The purpose of this work session is to bring the Commissioners up to speed and get something in writing to the State so they can tell us their issues. He said it is not easy. The first priority to the State is for us to look at urban reserves. Then look at exception areas. The last thing is commercial timber. This is a planned expansion area, and always has been. We need to get it on the books before we decide how to go about it. We can fall back on the argument that this is not in the urban reserve and is not exception or marginal lands. Timber conservation is the only thing we are stuck with. Tokos thinks we can make our way through the priority statute. Then it gets into demonstrated need. UGB expansion was never really set up for public needs; it was for housing or commercial. His memo outlines the rationale. We have done the population analysis and employment update. We have the capacity within the UGB to accommodate housing and employment we have to have to make that work. We can accommodate that need somewhere else in the existing UGB. The terrain is such that we have to do surveys of the water storage. We have to explain things away. We have to explain how there is no other alternative but this. We have to analyze if there are any protected resources like wetlands and things of that nature. Lastly, we get into goal exceptions. We are proposing to do something inconsistent with the State's goal of protecting timber land. We have to explain why we are proposing this. There are only three ways to do a goal exception: 1) developed exception; where it is already developed as something else and is unsuitable for commercial timber purposes; 2) green water act; where we can say commercial timber activities are not possible on our land that is really committed to water use; 3) the last one is reasons exception; where we can explain why there are sufficient reasons that an exception be granted. Tokos sent his recommendation off to the State; and they have to get back in writing with their responses, which will narrow down the questions. Tokos will get that feedback in front of the Planning Commission with how we might respond before they initiate the process. Tokos said the smaller expansion is more important. His recommendation is to start with that one; that way the State feels better. He said he may bring in ECONorthwest on a retainer basis. They are working with some other jurisdictions now and have a lot of experience in UGB expansions. If the State is not working in good faith, we can force the issue by initiating the process.

Patrick wondered if the City had thought about putting the small hobby farm and the residential that about the reservoir in the UGB. Tokos thought that was a good point. He said he would double check the rules. He thinks if it's a separate ownership, they could stop it. Gross was asked to set what an alternative boundary should look like and why.

Tokos said all of the other UGB expansion will have to be conversation for the next meeting as well as any other information on this one.

B. Adjournment. Having no further time, the work session meeting adjourned at 7:04 p.m.

Respectfully submitted,



Wanda Haney
Executive Assistant