

December 1, 2014  
6:20 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, Beemer, Swanson, Sawyer, Saelens, and Busby were present. Roumagoux was excused.

Staff present was City Manager Nebel, City Recorder Hawker, Community Development Director Tokos, Finance Director Murzynsky, Public Works Director Gross, Parks and Recreation Director Protiva, and Police Lieutenant Malloy.

### **PLEDGE OF ALLEGIANCE**

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

### **PROCLAMATIONS, PRESENTATIONS, AND SPECIAL RECOGNITIONS**

Proclamation - December 17, 2014 as Arbor Day in the City of Newport. Swanson proclaimed December 17, 2014 as Arbor Day in the City of Newport. Nancy Steinberg accepted the proclamation on behalf of the Parks and Recreation Advisory Committee, thanked staff, and reported on the upcoming tree planting ceremony at Literacy Park.

### **CONSENT CALENDAR**

The consent calendar consisted of the following items:

- A. Approval of City Council minutes from the regular meeting of November 17, 2014, and the special meeting of November 21, 2014;
- B. Mayoral Appointments to the Planning Commission:
  - 1. Rod Croteau for a term expiring on December 31, 2017;
  - 2. Mike Franklin for a term expiring on December 31, 2017;
  - 3. Lee Hardy for a term expiring on December 31, 2017.
- C. Approval of a request from the City Manager to be excused from the March 2, 2015 City Council Meeting.

MOTION was made by Busby, seconded by Beemer, 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 Resolution No. 3698 Regarding a Supplemental Budget. Hawker introduced the agenda item. Nebel reported that as part of the budget process, department heads were asked to project full expenditures of dollars that had been appropriated for capital projects in the last fiscal year to create the

estimated expenditures for the 2013/2014 fiscal year as a basis to develop the 2014/2015 budget. He stated that the purpose of this effort was to create a clean beginning fund balance in each of the city's operating funds that support capital outlay expenditures. He added that in the 2014/2015 fiscal year, the budget appropriates funding on a project specific basis in separate capital outlay funds. He noted that in the past, there was a lump sum available for capital outlay within the operating budgets for water, sewer, streets, and other similar departments, and that this created significant confusion in determining how much of the fund balance was truly intended for capital improvements that did not get expended in the fiscal year versus operation costs. He stated that by segregating capital outlay monies into separate capital outlay funds with the revenues for those projects being directed to the capital outlay funds, it gives a much clearer picture of the operating fund balances. He added that in order to create accurate beginning fund balances, staff assumed that the capital outlay funds would be expended in the previous fiscal year. He noted that staff indicated to the Budget Committee, and the City Council, that these funds would be carried over in supplemental budgets during the first half of the current fiscal year. He stated that while this task remains a bit convoluted, once the work is completed, the budgeting for capital projects will be much cleaner and more transparent.

Nebel reported that Resolution No. 3698 makes various increases and decreases to appropriation line items. He stated that as the budget amendment was developed, it was determined that there were not enough funds to fund the carry-over projects as well as specific line items projects that were identified in the new budget. He added that as a result, there are a number of appropriation decreases for several projects including the cross connection program; Nye Beach screen and grinder pump; and for the demolition of the old wastewater treatment plant. He noted that the Big Creek Lift Station force main replacement is being reduced by \$100,719 since that project is coming in under budget. He stated that carry-over projects include: \$133,358 for the Wastewater System Master Plan; \$77,098 for the Big Creek Lift Station replacement; \$60,000 for the Grove Street sewer project; \$101,348 for the sanitary sewer televising program; \$45,907 for the smoke testing program; \$11,801 for the Agate Beach sanitary sewer project; and \$22,667 for strategic grant consulting services. He noted that all of the project funds were appropriated in a lump sum and projected to be expended by June 30 and are required to be carried-over into the current fiscal year in order to complete these projects. He stated that attached to Murzynsky's report in the packet is a summary of the adopted budget for 2014/2015 in the wastewater capital projects, along with the modification that will be completed as part of this resolution creating the amended list of projects that are funded in the 2014/2015 fiscal year.

Nebel reported that this action will complete the carry-over of projects from the previous fiscal year, and will create individual appropriated amounts for the major construction projects that were either appropriated by project in the 2014/2015 fiscal year, or carried-over from the previous fiscal year.

Nebel recommended that Council conduct a public hearing on the possible adoption of Resolution No. 3698, a resolution adopting a supplemental budget for the 2014/2015 fiscal year.

Allen stated that the packet does not contain the resolution.

Swanson opened the public hearing at 6:30 P.M. She called for public comment. There was none. She closed the public hearing at 6:31 P.M.

It was agreed to delay action on this resolution until it could be located, and move the item to the end of the items in the City Manager's Report.

## COMMUNICATIONS

**From the Mayor - Report on City Council Organizational Meeting.** Hawker introduced the agenda item. Nebel reported he met with Mayor Roumagoux and Hawker to discuss the January 5 organizational meeting for the City Council. He stated that in reviewing the Council Rules and the City Charter, there is limited written direction on the way that the organizational meeting should proceed. He noted that he, Roumagoux, and Hawker outlined a process for the organizational meeting that generally parallels what has been the practice in recent years. He added that one modification to the process relates to how Council members are seated at Council meetings. He stated that the process outlined would provide that when a seat becomes vacant on the Council dais from a Council member not returning to the Council; a sitting Council member would have the first opportunity to move to that open seat. He added that if more than one Council member requested that seat, it would be decided based on seniority. He noted that there would be no bumping of existing Council members from the seats they held during their last term. He stated that there are several alternatives that Council could consider, including: seating Council members alphabetically (we are using a modified version of that at this time); or the Council President could always sit next to the Mayor in a specified seat; or other variations to this plan. He noted that it is appropriate that there be a plan on the books so that there is not confusion/debate or a misunderstanding of how the seating plan works for the City Council.

Nebel reported that one further issue that is incorporated in the draft organizational meeting pertains to the election of the Council President. He stated that based on last year's election, the Council indicated that the Council President should rotate on an annual basis among members of the Council. He noted that it would be good to institutionalize this practice if that is the desire of the City Council.

Nebel recommended that if this process, or a modified process, makes sense, that Council utilize these for the January 5 organizational meeting. He further recommended that Council consider including this process in the Council Rules for future reference.

Allen reviewed the various types of appointments as liaisons, voting members of internal committees, and members of external committees. Allen noted that the Urban Renewal Agency has a chair and a vice-chair, and suggested that this selection process be formalized at the next URA meeting.

Swanson noted that she does not feel that she has had enough lead time to think about the proposed changes. Saelens noted that he is in favor of some of the adjustments, but is a bit perplexed by rotating Council seats. Allen noted that he thought it was a good idea to rotate Council Presidents, but if a Councilor wants to continue as Council President for a second year, there is nothing that would preclude that.

MOTION was made by Allen, seconded by Beemer, that the attached (in the packet) organizational procedure, as modified and discussed tonight, be used as the guideline for the organizational meeting scheduled for Monday, January 5, 2015, at 6:00 P.M., in the City Council Chambers. The motion carried unanimously in a voice vote.

## CITY MANAGER'S REPORT

**Consideration of Ordinance No. 2074 - an Ordinance Withdrawing Territory from the Seal Rock Water District.** Hawker introduced the agenda item. Nebel reported that at the November 17, 2014 City Council meeting, the Council held a public hearing on an ordinance to withdraw property from the Seal Rock Water District. He stated that at that time, Adam Denlinger, General Manager of the Seal Rock Water District, requested that the City Council delay action until the district's attorney could finalize a review of the final version of the ordinance. He added that the district has requested that the definition of the withdrawn area be clarified to indicate that all properties annexed to the city, and within the city service area as listed in Exhibit "A," and depicted on the map in Exhibit "B," be included in the withdrawal as long as those properties are within the boundary areas that were part of the intergovernmental agreement with the district. He noted that the revised language eliminates the provision to refine the affected properties at the direction of the state or County Assessor. He added that if a mistake or correction is found in the future; it would require separate action by the parties. He stated that this is the only material change to the ordinance previously received by the Council, and that Speer Hoyt has reviewed these modifications and has no objections.

Nebel reported that the city has been meeting with the district over the past year to discuss the withdrawal of land that is currently located in the city, served by the city water system, but remains in the district. He stated that in 2007, the city entered into an intergovernmental agreement with the district which provided that the city provide water service to an area including much of South Beach, but that this agreement did not address the withdrawal of properties from the district. He noted that following this agreement, the district funded major improvements to its system with a general obligation bond that was financed in 2011 and 2012. He added that these improvements have no benefit to the district properties that are located in the city's water service area, although the property owners are being required to pay this debt. He stated that the district recognizes that this is unfair, and that the amended agreement does not hold the city or property owners responsible for any debt issued after 2008 should those properties be withdrawn from the district. He noted that the city would be responsible for a pro rata share of any debt that existed prior to 2008 for these properties pursuant to the amended agreement.

Nebel reported that ORS 222.520 authorizes the city to withdraw territory from a service district if it has been annexed to the city. He stated that the statute requires that the governing body hold a public hearing, and following the public hearing, the city may, by ordinance, declare that properties located within the city be withdrawn from the district. He added that this action is subject to a subsequent citizen-initiated referendum.

Nebel reported that a public hearing was held and closed at the November 17, 2014 City Council meeting.

Denlinger reported that this ordinance is supported by the district.

MOTION was made by Saelens, seconded by Beemer, to read Ordinance No. 2074, which withdraws territory from the Seal Rock Water District, by title only, and place for final passage. The motion carried unanimously in a voice vote. Hawker read the title of Ordinance No. 2074. Voting aye on the adoption of Ordinance No. 2074 were Sawyer, Allen, Beemer, Busby, Swanson, and Saelens.

**Authorization to Proceed with a 2014 Borrowing Agreement for Improvements to the Water System.** Hawker introduced the agenda item. Nebel reported that in 2014, the City Council adopted Ordinance No. 2071A which allows the issuance of up to \$18,000,000 of revenue borrowings for various water system improvements over a period of years. He stated that Ordinance No. 2071A authorizes the City Manager to prepare, finalize the terms of, and execute a new Master System Borrowing Declaration. He added that as the city proceeds, on a year-to-year basis, with various eligible work; individual loan agreements will be executed for each new phase. He noted that the 2014 loan agreement will be in the amount of \$4,565,800 as defined in the master declaration which is included in the packet. He stated that the loan agreement will have an interest rate of 3.95% and mature on August 1, 2034.

Nebel reported that staff intends to execute the 2014 borrowing on December 16 of this year. He added that the agreement has been reviewed by Murzynsky, Bob Gazewood, Emily Jerome of Speer Hoyt, and bond counsel.

MOTION was made by Beemer, seconded by Allen, that the City Council hereby acknowledge that it has authorized the City Manager, in Ordinance No. 2071A, to prepare, finalize the terms of, and execute a new Master System Borrowing Declaration, and further acknowledge that the City Manager may execute the draft Master Water System Borrowing Declaration as outlined in the attached report (contained in the packet) for a 2014 loan agreement in the amount of \$4,565,800 based on the terms outlined in this report. The motion carried unanimously in a voice vote.

**Approval of Resolution No. 3699 - Annual Adjustment to the City's System Development Charges (SDC).** Hawker introduced the agenda item. Nebel reported that Resolution No. 3579 provides that SDC rates shall be adjusted annually on January 1 of each calendar year based on inflation as evidenced by the Construction Cost Index published in the Engineering News Record. He stated that the resolution provides that the City Council take action prior to January 1, and that the increase, based on the Construction Cost Index, is a two percent adjustment to all SDC rates.

Nebel reported that Resolution No. 3699 will establish the SDC rates for the 2015 calendar year, and would repeal the previous rates once the resolution becomes effective on January 1, 2015.

Busby noted that this is a good time to start a discussion on SDC's. He noted that he has heard a lot about SDCs since he has been on the Council, and most of it is not good. He added that he recognizes that the monies are necessary to complete infrastructure projects. He suggested taking a look at how the SDCs are applied in terms of using them to encourage development, certain types of development, and certain areas of development.

Allen reported that at the Urban Renewal Agency informational meeting on October 27, the owner of the candy shop in South Beach brought up the SDC issue related to an expansion of his business. He noted that at that meeting, he requested that staff provide comparables from other cities of comparable size, so that Council can see what other cities are doing. He added that this would provide a base line to start a discussion on SDCs. Saelens asked whether Council could take more time to delve into this issue.

Nebel reported that SDCs are based on equivalent dwelling units and are used to provide funding to meet expansion needs relating to water, wastewater, stormwater, transportation, and parks that new development or changes of use will bring to the

community. He noted that SDCs are based on cost estimates for public infrastructure that will be needed to support new development. He added that as construction costs increase, fees should be adjusted to ensure that, over time, the SDC revenue is adequate to finance public projects when they are needed.

Tokos reported that SDCs are a form of fee that is authorized by statute and has constraints enacted by statute. He noted that SDC rates are based on a methodology which was adopted in 2007 and effective in January of 2008, and have to be based on actual infrastructure needs. He added that the methodology is currently based on equivalent dwelling units, but that with additional growth, the methodology can be changed. He noted that workforce housing could be incentivized, but it would involve shifting to another range of uses to cover capital project costs or a scale back of capital projects. He stated that a revision to the SDC methodology is an involved project that takes time and resources, and that he would want to budget and account for this project moving forward. He noted that the matter can be discussed further at a work session at which Council could be updated on how Newport's SDCs fit with those of other communities. He added that staff could work with Council on how to approach an adjustment of the methodology moving forward. He suggested that the adjustment of the methodology be independent of this resolution which is required as part of the existing methodology. Beemer noted that he is familiar with SDs, and urged a thorough and careful study as to how the fees are set up. He stated that the SDCs and the costs of building and buying land are what keeps people from building multiplexes now. Busby asked whether it would be acceptable to add the undertaking of a SDC study to the resolution.

MOTION was made by Allen, seconded by Beemer, to adopt Resolution No. 3699 amending the City of Newport SDC rates to reflect a two percent increase in construction costs with the resolution being effective January 1, 2015. Allen noted that based on resolutions adopted in previous years, there is a requirement to adjust the SDCs annually unless a decision is made to amend the underlying resolutions that put this methodology in place. The motion carried unanimously in a voice vote.

MOTION was made by Beemer, seconded by Saelens, that the City Council set a work session to study the SDCs and the impact on the ability to address workforce and affordable housing, and other issues that might arise, and that further action be defined at the work session. Nebel suggested that a work session be scheduled to discuss the current methodology and that at the conclusion of the session, staff would have some direction that may include a future appropriations request. The motion carried unanimously in a voice vote.

**Approval of Intergovernmental Agreement Related to the Retrofit of the Safe Haven Hill Tsunami Evacuation Assembly Area.** Hawker introduced the agenda item. Nebel reported that the city was successful in obtaining FEMA funds in the amount of \$471,361 in order to accomplish \$628,481 worth of improvements to Safe Haven Hill. He stated that this work is being coordinated to occur at the time that various other improvements are planned in South Beach with the Highway 101 and 35<sup>th</sup> Street intersection and other improvements. He noted that the general scope of work has been developed in consultation with ODOT and stakeholders in the area. He added that the city will be using Urban Renewal funds as a match for these federal funds.

MOTION was made by Beemer, seconded by Sawyer, to authorize the City Manager to execute an agreement with the State of Oregon Emergency Management for Hazard Mitigation Grant Program Contract, FEMA, DR-1964OR for federal funding in the amount of \$471,361 the total authorized cost of the project being \$628,481. The motion carried unanimously in a voice vote.

**Adoption of Resolution No. 3700 Accepting the Newport Student Housing Report Related to the Proposed Expansion of the Hatfield Marine Science Center Campus.**

Hawker introduced the agenda item. Nebel reported that the city and Lincoln County co-funded a study to review the impacts that an undergraduate marine campus program at Hatfield Marine Science Center would have on housing needs of the city and county. He stated that the proposed campus would expand the student base from a current 50 students to 500 students and the addition of 40 to 50 staff and faculty members. He noted that a stakeholder group was established with representatives from OSU, Oregon Coast Community College, Department of Land Conservation and Development, staff from local governments in Lincoln County, and individuals with direct experience in property development and housing management to review the potential impact and identify ways to address these housing needs.

Nebel reported that this report is intended to address two key purposes. He stated that the first is to demonstrate to the Oregon legislature and administration that Newport and Lincoln County are prepared to address the housing needs for this type of expansion. He noted that secondly, the city, county, other local governmental entities, and Oregon State University are proactively working together to determine the best solution to meet the housing needs.

Nebel reported that the most specialized needs relate to the student housing component since students may spend either one quarter of the year at the HMSC campus, a full academic year, or in some cases, a longer period of time as they complete their studies. He stated that this creates a scenario in which OSU would need to be directly involved in meeting the student housing needs through a public/private partnership or by directly providing student housing facilities in Newport since these schedules do not work well with typical lease scenarios. He added that OCCC has been at the table as part of these discussions and some of the student housing options may jointly serve both OCCC and HMSC.

Nebel reported that the Planning Commission has also reviewed the report and suggested several minor changes that do not impact any of the recommendations.

Nebel reported that the report that was included in the packet outlines several specific recommendations that the city, county, and OSU were advised to pursue in order to address this future housing need in the city and county.

Nebel reported that a resolution has been prepared which provides that the City Council accept the report and recommendations prepared by ECONorthwest, dated November 2014, and directs the Planning Commission to evaluate policies that would include the recommendations as part of a future recommendation to the City Council on how these issues may be incorporated in the city's Comprehensive Plan.

Nebel reported that this has been an excellent collaborative effort between the city, county, OSU, and others in demonstrating that the community can accommodate the expanded housing needs.

Nebel reported that representatives from OSU, and the president of OCCC, are in attendance.

Tokos summarized the recommendations contained in the report. He noted that at the end of the document is information about an implementation tax exemption, CDBG, and using SDCs as ways to incentivize construction of multi-family housing, and that it is not limited to student housing.

Allen asked whether other jurisdictions were going to take similar actions with their governing bodies. Nebel stated that he will ask Lincoln County to adopt a similar resolution as the co-funder of the study. Allen noted that Nebel's staff report indicates that the more resolutions passed by local jurisdictions, the stronger the message will be. Allen added that one of the recommendations from the advisory committee is that the city and county "should express preference for direct and proactive involvement from OSU in student housing development." He asked whether there is any language in the resolution that focuses on this, and suggested including this as a finding in the resolution.

MOTION was made by Allen, seconded by Sawyer, to adopt Resolution No. 3700, as amended tonight with the additional finding, accepting the analysis and recommendations of the Newport Student housing Report. The motion carried unanimously in a voice vote.

#### **Acceptance of the Abstract of Votes from the November 4, 2014 Municipal Election.**

Hawker introduced the agenda item. Nebel reported that Hawker has prepared a report on the canvass of ballots for the November 4, 2014 municipal election. He stated that the packet contains the abstract of votes from the Lincoln County Clerk, and it is the official report of the November 4, 2014, general election confirming the election of Mayor Sandra Roumagoux and Councilors David Allen, Mark Saelens, and Wendy Engler.

MOTION was made by Allen, seconded by Beemer, to approve the canvass of ballots of the November 4, 2014, election in which Sandra Roumagoux was elected Mayor, and David Allen, Wendy Engler, Mark Saelens were elected City Councilors. The motion carried unanimously in a voice vote.

MOTION was made by Allen, seconded by Beemer, that Council President Swanson read a proclamation declaring the election of the Mayor and three Councilors at the November 4, 2014 municipal election. The motion carried unanimously in a voice vote. Swanson read the proclamation.

**Report on the Status of Water Rights for Rocky Creek.** Hawker introduced the agenda item. Nebel reported that in 1998 the city, in partnership with the City of Lincoln City, submitted a joint water rights application to store approximately 9,500 acre-feet of water from Rocky Creek which is located north of Cape Foulweather. He stated that this was part of a regional plan to provide water to a number of water systems in the area, and that the original application has been on hold for a number of years with no activity occurring on it from either Lincoln City or Newport. He noted that Gross has been working with GSI Water Solutions to update the city's various water rights, and the subject of the Rocky Creek application came to light as part of this update. He stated that GSI Water Solutions recommended the submission of a new application to replace the existing application for water storage. He noted that the city was planning to request 4,330 acre-feet of storage which is estimated to be the extra amount of raw water the

city would need by the year 2030, and that by resubmitting the application the city can preserve its ability to use Rocky Creek as a possible water source in the future.

Nebel reported that prior to acting on a stand-alone application, that he had contacted David Hawker, City Manager of Lincoln City, to determine whether Lincoln City had any interest in continuing as a partner in this effort. He noted that Lincoln City is evaluating this matter, and Newport has been given an extension until January 5, 2015 to replace the existing application with a new one.

Nebel reported that if the city does not resubmit a new application, it is likely that the original application, which has been inactive for a number of years, will be terminated by the state. He stated that at that point, others could apply for those water rights or the Oregon Department of Fish and Wildlife could proceed to secure those rights for in-stream water. He added that if either of these scenarios were to occur, the city may lose its opportunity to utilize water resources from Rocky Creek indefinitely.

Gross reported that this is a separate application from the one applied for in 1998, and that by withdrawing the current application, and submitting a new and simpler application, it would allow the city to continue with the process if it chooses.

Allen noted that when he was first on Council, there was a large board that governed the Central Coast Water Council. He asked how 4,380 acre-feet compares with the current application. Gross reported that this is approximately half of the current application. Allen asked whether the city would share costs if it partnered with Lincoln City, and Gross noted that the reported costs are the city's costs. He added that if the city partners with Lincoln City, there would be additional storage depending on what Lincoln City decides its needs are. Gross noted that if Newport and Lincoln City partner, the application will be somewhat different. Allen asked for the total cost spent on this project to date. Busby recommended maintaining the water right, and asked whether it is certain that the city's application will be approved. Allen agreed that given the past history, he believes that it is important to preserve the water rights.

MOTION was made by Saelens, seconded by Busby, to authorize the Public Works Director to submit a new application for Rocky Creek water rights either in conjunction with Lincoln City should Lincoln City choose to continue as a partner with this application prior to January 5, 2015. The motion carried unanimously in a voice vote.

**Possible Adoption of Resolution No. 3698 Regarding a Supplemental Budget.** MOTION was made by Allen, seconded by Beemer, to adopt Resolution No. 3698 approving a supplemental budget for the 2014/2015 Fiscal Year. The motion carried unanimously in a voice vote.

## LOCAL CONTRACT REVIEW BOARD

The City Council met as the Local Contract Review Board at 7:47 P.M.

**Approval of Task Order No. 16 with Civil West Engineering, Inc. - Safe Haven Hill Tsunami Evacuation Improvement Project.** Hawker introduced the agenda item. Nebel reported that Civil West Engineering, Inc. has provided a proposal for engineering services for project administration, design, preparation of plans and documents, and bidding services for the Safe Haven Hill Tsunami Evacuation Improvements in the

amount of \$57,428. He stated that the Council has also been asked to approve an intergovernmental agreement to provide federal funding for this project.

MOTION was made by Beemer, seconded by Sawyer, to approve of Task Order No. 16 with Civil West Engineering Services, Inc. for design engineering services for the Safe Haven Hill Tsunami Evacuation Improvements in the amount not to exceed \$57,428, and authorize the City Manager to execute the task order on behalf of the City of Newport. The motion carried unanimously in a voice vote.

**Approval of a Notice of Intent to Award the NE 7<sup>th</sup> Street and Iler Street Storm Sewer Repair Project.** Hawker introduced the agenda item. Nebel reported that on Thursday, November 7, 2014, five bids were received for the construction of approximately 425 feet of 36-inch storm sewer main, three manholes, a new outfall, and abandonment of the failed storm sewer main from NE 7<sup>th</sup> Street and Harney Street extending along Iler Street to the north. He stated that the low bid was received from WW Construction in the amount of \$255,549.44.

MOTION was made by Beemer, seconded by Saelens, that the City of Newport issue a Notice of Intent to Award the NE 7<sup>th</sup> and Iler Streets Storm Sewer Repair Project to WW Construction in the amount of \$255,549.44, and contingent upon no protests, 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.

**Approval of a Joint Contract between Lincoln County and the City of Newport for the Acquisition of a Records Management System for the Newport Police Department.** Hawker introduced the agenda item. Nebel reported that the city has been part of a Lincoln County request for proposals for the replacement of the records management system for both the Lincoln County Sheriff's Department and Newport Police Department. He stated that this system will replace the shared records management system that has been in place since 2001. He added that as a result of the RFP, the jointly recommended contractor is Justice Data Solutions which is a windows based software that was deemed easy to utilize and a very effective records system. He noted that the contract was negotiated by County Counsel Wayne Belmont and reviewed on behalf of the city by Speer Hoyt.

MOTION was made by Sawyer, seconded by Saelens, to authorize the Mayor to execute a joint contract between the City of Newport and Lincoln County with contractor Justice Data Solution, Inc. of Tallmadge, Ohio for the purchase of CRIMES RMS for police records management for a total cost of \$81,000 for the City of Newport. The motion carried unanimously in a voice vote.

**Authorization to Purchase One (1) Model 12-30 Adsorption Vessel from Calgon Carbon Corporation.** Hawker introduced the agenda item. Nebel reported that when the water plant was first designed, the design proposed to use three gravity activated carbon vessels. He added that in an effort to cut construction costs, the design was modified to install only two of these vessels. He noted that as part of the current year budgeting, funds were appropriated to add the third vessel to the water plant, and that this vessel will improve overall water quality and extend the carbon life of the current vessels. He stated that the concrete pad and piping for the water feed discharge were constructed as part of the new plant to accommodate this expansion. He noted that this

is a sole source procurement since Calgon Carbon is the only vendor that manufactures the unit that is compatible with the existing plant system.

Gross reported that the installation and procurement costs will be within the budgeted amount for this project.

MOTION was made by Allen, seconded by Saelens, to purchase of one model 12-30 adsorption vessel manufacture by Calgon Carbon Corporation in the amount of \$183,050.00 be purchase by the City of Newport. The motion carried unanimously in a roll call vote.

## **RETURN TO CITY COUNCIL MEETING**

### **MAYOR AND COUNCIL REPORTS**

Swanson reported that she attended the Thanksgiving dinner at the Senior Center, and that it was quite nice and well-attended.

Swanson reported that she attended Canine Officer Eyan's retirement celebration, and that it was an interesting evening.

Busby reported that he also attended Canine Officer Eyan's retirement and looks forward to meeting Eyan's replacement.

Busby reported that he attended a recent meeting of the Airport Committee that was very productive. He stated that the primary discussion centered on distributing the requests for expressions of interest in operating the airport. He also noted that the Committee worked on finalizing the minimum standards for the airport.

Busby reported that he attended a recent meeting of the Public Arts Committee. He noted that there is another vacancy on the Committee. He added that Karen Murphy is working on the percent for the arts implementation as it relates to the new swimming pool.

Beemer reported that he attended the Thanksgiving dinner at the Senior Center, and that it was great.

Beemer reported that he attended a recent Port of Newport meeting, and that the Port news was nicely reported in the paper. He noted that the log exportation will occur at the Port, but the market for logs in China has decreased. He added that construction should begin next year. He stated that the bad news is that the Port is planning to build a new office building, and that it will have trouble making payments to the state this year due to the delay in log exportation. He added that the state inquired as to why the Port would be building a new office building if it had a financial shortfall. He noted that the new office building is currently on hold.

Allen reported that he attended a FINE meeting on November 18. He noted that discussion centered on a lot of ocean-related issues, including wave energy, renewable energy, and mapping in federal waters. He added that the meeting was well-attended.

Allen reported that he served as alternate for Beemer at the Port Commission's meeting at which it discussed whether to join the legal challenge on the Coast Guard helicopter issue, and that he had reported on this meeting at last week's special City Council meeting.

Busby reported that a press conference was held here today with four of the five survivors of F/V Blazer sinking. He noted that Channel 6 will likely have a report on this press conference at 11 P.M.

Sawyer thanked the City Council and staff for support during his sister's illness and subsequent death.

### **PUBLIC COMMENT**

Nyla Jebousek suggested trying to use the Yaquina Bay State Park in a similar manner to Shore Acres on the southern Oregon coast. She urged Council to send a delegation to see Shore Acres, and noted that it draws between 45,000 and 50,000 visitors between Thanksgiving and New Year's Day.

Nyla Jebousek reported that Homes.org is working on eliminating homelessness in America. She noted that Lola Jones informed her that the city needs an additional 100 units to accommodate homeless folks in Newport. She added that the Homes.org programs might work in Newport.

Marletta Noe stated that she was disappointed that the Mayor was not in attendance this evening. She reported that today is her birthday, and stated that she greatly appreciates the work of the City Council and staff.

Allen reported that Council will be holding another executive session as a follow-up from today's executive session. Nebel noted that he would contact the Port tomorrow to schedule a meeting date.

### **ADJOURNMENT**

Having no further business, the meeting adjourned at 8:13 P.M.

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Margaret M. Hawker, City Recorder

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Laura Swanson, Council President