

July 7, 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, Allen, Beemer, Busby, Sawyer, Saelens, and Swanson were present.

Staff present was City Manager Nebel, City Recorder Hawker, Finance Director Murzynsky, Interim Finance Director Gazewood, 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.

CONSENT CALENDAR

The consent calendar consisted of the following items:

- A. Approval of City Council Minutes from the regular meeting and work session of June 16, 2014, and the special meeting and executive session of June 23, 2014;
- B. Confirmation of the Mayoral Appointment of Kevin Greenwood to the Parks and Recreation Advisory Committee for a term expiring on December 31, 2015.

MOTION was made by Sawyer, 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 Consideration of Ordinance No. 2067 Amending Chapter 7.05 of the Newport Municipal Code Related to Solid Waste. Hawker introduced the agenda item. Nebel reported that on April 7, 2014, the City Council approved Resolution No. 3665 which authorized the establishment of a residential compostable collection program. He noted that this resolution authorized the addition of a residential compostable collection program which would be funded through an increase of \$6.59 per month for residential household garbage and recycling collection customers of Thompson's Sanitary Service Inc. starting during the summer of 2014. He added that the rates would be effective through June 30, 2015. He stated that the resolution outlines the cost for the various options that were approved by the City Council and establishes benchmarks for the performance of the residential compostable collection program. He noted that the resolution also directs the City Attorney to draft necessary modifications to Chapter 7.05 of the Newport Municipal Code to incorporate changes to definitions and other modifications necessary to reflect the intentions of the residential

compostable collection program for the city as outlined in the resolution. He stated that the modification incorporates definitions for compost or composting, compostable material, food soiled paper, food waste, and a definition for mixed recycling and mixed compostables. He added that the compostable collection service is incorporated in the appropriate locations in the proposed ordinance amendment. He noted that there is a clean-up of the definition of solid waste as it relates to the exclusion of properly prepared recycling material. He added that a new definition for solid waste management has been incorporated which states "the business of collection, transportation, storage, treatment, utilization, processing, disposal, recycling, composting, and resource recovery of solid waste." He stated that a definition for yard debris has been incorporated.

Nebel recommended that the Mayor open a public hearing and allow for public comment on the approval of Ordinance No. 2067, and ultimately vote to approve Ordinance No. 2067.

Roumagoux opened the public hearing on Ordinance No. 2067 at 6:06 P.M. She called for public comment. There was none. She closed the public hearing at 6:07 P.M. for Council deliberation.

Allen reported that Thompson's are fine with the language in the draft ordinance.

Beemer reported that Thompson's made a presentation on this program at a recent Chamber luncheon, and the program was well-received by attendees.

Saelens reported that he had reviewed the language in the document from a professional basis, but had not talked with Thompson's regarding this ordinance.

MOTION was made by Swanson, seconded by Sawyer, to read Ordinance No. 2067, an ordinance amending Chapter 7.05, Solid Waste, of the City of Newport Municipal Code, incorporating the definitions and provisions relating to a residential compostable collection program, by title only and place for final passage. The motion carried unanimously in a voice vote. Hawker read the title of Ordinance No. 2067. Voting aye on the adoption of Ordinance No. 2067 were Allen, Beemer, Busby, Roumagoux, Swanson, Saelens, and Sawyer.

COMMUNICATIONS

From Councilor Busby Regarding the Establishment of a Task Force to Discuss the Possibility of a "Regional" Airport. Hawker introduced the agenda item. Nebel reported that Councilor Busby has requested that the Council discuss the possibility of creating a task force made up of regional representatives to review the role that the airport plays as a regional facility for the central coast. He added that this proposal is timely in that the Airport Committee will be initiating discussions on an airport management and operational plan based on a preliminary report that the Airport Committee will be receiving at their July 22 meeting. He stated that if the City Council is in agreement with establishing a task force made up of representatives from the central coast area, then it would be appropriate for the Council to discuss the possible make-up of this task force and request that these comments be incorporated into a report for possible formal consideration at the July 21 City Council meeting. He noted that once formalized the Mayor and City Council can proceed with appointments to the task force.

Busby explained that a regional airport would involve an area larger than a municipality. He discussed the importance of the airport to a greater area than the city.

He added that others have expressed interest in the concept, including the Lincoln County Commissioners, Lincoln County Mayors, the Port District and others. Allen asked whether the Task Force would look at the FBO in addition to airport operations, and Busby noted that the group would want to discuss the entire issue. Nebel noted that the first step is a discussion to understand what the airport is and what people and entities are willing to commit to.

MOTION was made by Sawyer, seconded by Saelens, to direct the City Manager to develop a report and recommendation on the structure of a regional airport task force incorporating the discussion from the City Council to the July 21, 2014 Council meeting. The motion carried unanimously in a voice vote.

From Councilors Busby and Swanson - Review and Consideration of Draft Documents Associated with the Recruitment of a City Attorney and a Request for Proposals for a Contracted City Attorney. Hawker introduced the agenda item. Allen reported that since Rob Connell's resignation, he has had the opportunity to review the general duties of the position with local attorneys. He added that due to these reviews, he was given permission, by the City Council, at the June 23, 2014 Special City Council meeting, to abstain from participating in and voting on this issue, and that he will continue to do so.

Nebel reported that at the June 23, Special City Council meeting, the City Council discussed the resignation of City Attorney Rob Connell. He added that following that discussion, the Council assigned Councilors Busby and Swanson to meet with the City Manager to develop recruitment materials and a process to fill this position. He noted that the City Attorney is one of three positions appointed directly by the City Council, and the other two positions are the City Manager and the Municipal Judge. He stated that the committee met to review the various options on how the Council could proceed in filling this position. He added that these options include the possibility of hiring an employee as City Attorney or contracting with a firm to provide City Attorney services. He stated that within each of these two scenarios, the Council could consider a scenario of a part-time general counsel utilizing contractual attorneys for specialized services or having one primary agreement (either employee or contractual) with one individual or one firm to handle most of the city's legal work.

Nebel reported that due to the unique talents that various candidates or firms could bring to this position, the committee felt it was best to cast a broad net to determine what types of individuals or law firms are interested in providing legal services. He noted that as a result, the committee is suggesting both a job listing for either a full-time or part-time City Attorney as well as a request for proposals for contractual legal services. He added that with any applicants to serve as City Attorney as an employee of the City Council, it would be important for the applicants to identify what areas of municipal law they are capable of handling and what areas they would need to have contracted out. He noted that this would be especially true for any part-time applicants that may focus on certain aspects of municipal law and rely on consultants for the balance of the legal work. He stated that the committee also recommended, as part of the development of the RFP, that law firms be asked to submit proposals based on two options which include a retainer for providing services such as meeting attendance, response to general inquires from City Council and staff, municipal court prosecution, ordinance and resolution review and approval, employment related issues, public records and open

meetings issues, and ethics related questions with an hourly rate for more specialized services, or the City Attorney services could be provided on a straight hourly rate for all services.

Nebel reported that this will allow for a complete review of a variety of options going forward. He stated that this is important because of the varied legal work required for municipal government that is sometimes very specialized including land use issues, public contracting, personnel issues, and other similar specialties within the legal field. He noted that the best scenario for the City Council to hire a City Attorney will greatly depend on the available talents that are represented with the applicants or proposers.

Nebel reported that while this is a bit unconventional, it keeps the number of options available for the Council to determine who would be the best qualified and best fit to fill the role of City Attorney.

Nebel reported that the packet contains materials that reflect the discussions held with Councilors. He added that Busby and Swanson will provide their report with their suggestions on how the Council should proceed in moving forward. He noted that the packet includes a draft RFP and a job description for City Attorney along with other supporting materials. He stated that the committee is recommending the following schedule for proceeding with this position: 1.) begin advertising the position starting July 8; 2.) approve a resolution for hiring standards which would impact a possible employee scenario for the City Attorney on July 21; 3.) establish a deadline for applications and RFP submissions of August 15 at 3 P.M. 4.) the City Council will receive the materials for the both the employees and RFPs by August 21; 5.) a special meeting of the Council is proposed to be scheduled for Monday, August 25 at noon to review the proposals and employment applications.

Nebel reported that the process of reviewing applications and interviewing in executive session will be forwarded to the Council at the July 21 meeting should the Council concur with the suggestions from the work group. He added that interviews of both employee candidates and proposals would be done on September 4 beginning at 9 A.M. He noted that the committee felt it appropriate to conduct a two panel interview with the Council consisting of one panel and the department heads participating as the second panel to provide input to the Council similar to the process utilized for hiring the City Manager. He stated that this will provide additional input from a number of the primary users of legal services. He added that this process should allow for the review of contractual services and employment services on a side-by-side basis so that the Council can make the best decision.

Nebel reviewed the changes to the various recruitment documents that were made after the packet was distributed and prior to this meeting.

Nebel reported that the process outlined in the packet does not limit the way in which legal services could be provided, and will provide the maximum flexibility to review the options that are available to the city and allow the Council to select the overall best fit for City Attorney services. He added that following any discussion, Council should direct staff on how to proceed with the advertisement for the City Attorney position/work.

Swanson noted that the committee wanted to cast a broader net. Busby added that this makes Council's job more difficult. Roumagoux noted that the interview process is similar to that used for hiring the City Manager. Busby noted that the committee believed it is important for the City Attorney to work well with the City Manager and staff in

addition to the City Council. Sawyer thanked Rob Connell for the work he did in that position.

MOTION was made by Swanson, seconded by Beemer, to direct the staff to begin advertising for a staff City Attorney, and request proposals from individuals or firms interested in providing City Attorney services on a contracted basis, and that Resolution No. 3687 be placed on the agenda of the July 21, 2014 meeting at which a public hearing will be held to solicit public input on the criteria and timeline for hiring a staff City Attorney. The motion carried in a voice vote with Allen abstaining.

From the Business License Task Force - Report on Medical Marijuana Dispensaries.

Hawker introduced the agenda item. Nebel reported that following the approval of SB 1531, the City Council placed a temporary moratorium on the establishment of medical marijuana facilities within the city. He added that the purpose of declaring the moratorium was to evaluate new local regulatory tools that were provided by the legislature. He stated that the City Council forwarded the matter to the Planning Commission to consider whether the city should adopt local standards as provided in the bill. He noted that the Planning Commission determined that no new city regulations are needed that would impact land use or zoning issues within the city. He added that the Planning Commission recommended the Council put standards/regulating conditions in which dispensaries could operate within the city with those standards being incorporated into the city's business license regulations. He noted that the City Council concurred with the Planning Commission and forwarded the matter to the Business License Task Force for their review.

Nebel reported that on June 17, 2014, the Business License Task Force reviewed the local regulatory options outlined in SB 1531. He added that the Task Force also heard a presentation from Miranda regarding enforcement concerns with medical marijuana facilities.

Nebel reported that the Task Force is recommending that the City Council consider implementation of several regulatory initiatives that are allowed by state statute. He noted that these initiatives include: 1. Background checks should be required of all employees to confirm that they have not been convicted of manufacturing or delivering a controlled substance; 2. The Police Department should have access to a facility at all times that it is occupied; 3. The Police Department should have access to the same records and video surveillance tapes that an operator must make available to the Oregon Health Authority; 4. The Police Department should be notified any time an alarm is triggered at a facility; 5. The person responsible for the facility should be required to sign an indemnity or hold harmless agreement acknowledging that issuance of an endorsement is not to be taken as city approval or sanction of any activity that is a violation of federal law.

Nebel reported that there was also discussion regarding additional requirements relating to liability insurance in an amount deemed appropriate by the Council if such insurance is reasonably obtainable.

Nebel noted that if the City Council is in agreement with including an additional regulation in the city's business license ordinance, Council should direct staff to prepare an ordinance for Council consideration that would establish standards regulating the conditions under which a facility could dispense medical marijuana in the city.

Allen noted that some of the liability issues will need to be vetted by the City Attorney. Busby reported that no agreement was reached, nor were specifications decided upon, relative to the liability insurance issue. He added that if the city levies a particular business, the requirement should be universal to all similar businesses. He noted that the committee did discuss the hold harmless issue relative to federal authority versus state authority.

Beemer asked whether all the bars in town have liability insurance. Busby noted that premises and product liability are different. Nebel noted that when a motion is made, if the insurance requirement is not included, staff will not pursue it. He added that if it is included, it should be added to the motion. Swanson asked about insurance requirements for other businesses in the city. Busby noted that the city does not mandate certain insurance requirements for businesses. Allen noted that there may be an insurance requirement that is part of a separate regulatory process from the city. Sawyer stated that he does not have a problem adding an insurance requirement, but would want a legal opinion prior to doing so. Busby asked Sawyer whether he was speaking of product liability or premises liability insurance. Allen noted that two motions would be appropriate. He added that on the issue of the hold harmless and indemnity language should be referred to the City Attorney for appropriate language.

MOTION was made by Saelens, seconded by Busby, to direct the staff to prepare an ordinance containing the standards outlined in the City Manager's Report to Council for Council's consideration at the July 21, 2014. The motion carried unanimously in a voice vote.

MOTION was made by Allen, seconded by Sawyer, that the City Manager be directed to check with the City Attorney to look at the feasibility of liability insurance coverage for medical marijuana dispensaries and report to Council with a legal analysis as to whether it is appropriate and feasible under the circumstances. Voting aye in a voice vote were Allen, Beemer, Swanson, and Sawyer. Voting no in a voice vote were Busby, Roumagoux, and Saelens. The motion carried.

From the League of Oregon Cities - 2015 Legislative Agenda. Hawker introduced the agenda item. Nebel reported that the League of Oregon Cities advocates for legislative objectives for member cities in the state. He added that the League's eight policy committees have identified 22 legislative objectives for consideration by the membership. He noted that the League requests that each city review the policies and provide input to the LOC Board of Directors as it prepares the 2015 legislative agenda. He stated that the League has requested that each city select its top four legislative priorities for the upcoming legislative session. He reported that Roumagoux has suggested holding a work session on Monday, July 21 to discuss these legislative priorities, and he asked that each Councilor submit their top four legislative priorities by Friday, July 11. He noted that unless Council objects, he plans to request the same information from department heads.

Nebel reported that the League has made long term commitments to two issues critical to cities that include revenue and land use reform, and since those commitments have already been made, they are not listed on the list of possible legislative priorities. He added that the League will also continue to advocate for a constitutional amendment that gives local voters the opportunity to pass local option taxes outside of compression.

CITY MANAGER'S REPORT

Consideration of Resolution No. 3684 Adopting a Policy Regarding Unappropriated Ending Fund Balances, Contingencies, and Financial Reserves, and Rescinding Resolution No. 3534. Hawker introduced the agenda item. Nebel reported that as part of this year's budget deliberations, the Budget Committee reviewed a draft proposal revising the city's policy regarding financial reserves, contingencies, and unappropriated ending fund balances. He added that the purpose of the policy is to provide guidance to the staff, Budget Committee, and City Council regarding the maintenance of unappropriated ending fund balances, contingencies, and reserves for the city's various operating funds. He stated that this policy is intended to identify desired levels to protect the city's credit as well as its financial position in the event of unanticipated emergencies. He noted that after discussion by the Budget Committee, several adjustments were made to the draft policy including increasing the General Fund contingency from two percent to four percent and reducing the range for unappropriated ending fund balance by two percent to a high of 18% and a low of 13%.

Nebel reported that the proposed policy provides that the funding levels be reviewed as part of the preparation of the 2015/2016 fiscal year budget and then reviewed every three years thereafter by the Budget Committee and City Council.

Nebel reported that Resolution No. 3684 provides for the adoption of the revised policy regarding unappropriated ending fund balances, contingencies, and financial reserves and rescinds Resolution No. 3534 in its entirety.

MOTION was made by Sawyer, seconded by Saelens, to adopt Resolution 3684, regarding unappropriated ending fund balances, contingencies, and financial reserves, and rescinds Resolution No. 3534 in its entirety. The motion carried unanimously in a voice vote.

Consideration of Resolution No. 3686 Adopting Council Rules. Hawker introduced the agenda item. Nebel reported that at the June 16 City Council meeting, the Council approved amendments to the Council Rules. He noted that Allen indicated that in reviewing the City Charter provisions, the Council Rules are to be adopted by resolution. He added that several typos have been corrected in the version that was reviewed by Council on June 16. He stated that it appears that the original adoption of the Council Rules on July 18, 2011, and the amendment of April 15, 2013, were not approved by resolution, and that this action will adopt the full rules, as amended, consistent with the City Charter provisions.

MOTION was made by Sawyer, seconded by Allen, to adopt Resolution No. 3686, a resolution formally implementing the Council Rules as initially approved on July 18, 2011 and amended on April 15, 2013 and June 16, 2014. The motion carried unanimously in a voice vote.

Request for Council Acceptance of the Annual DLCD Coastal Management Grant. Hawker introduced the agenda item. Nebel reported that the DLCD provides an annual grant for land use planning and related work within Oregon's federally approved coastal zone. He stated that in order to receive the funding, the City Council must approve a resolution requesting the funds. He noted that, in the past, these funds have been used to offset costs in preparing the South Beach Neighborhood Plan, transportation system

update, reservoir urban growth boundary amendments, conducting Planning Commission trainings, and developing GIS land use data. He stated that the recommended use of the funds for this year will be for reviewing land use applications, updating development codes, and scanning land use records so they are more readily accessible to the public.

MOTION was made by Sawyer, seconded by Saelens, to adopt Resolution No. 3685 which authorizes the acceptance of \$9,000 in annual DLCDC grant funds. The motion carried unanimously in a voice vote.

Approval of Clean Water Revolving Fund Loan Amendment No. 1 for the Agate Beach Wastewater Improvement Project. Hawker introduced the agenda item. Nebel reported that the City Council had previously approved a loan agreement with the Oregon Department of Environmental Quality for the Agate Beach Wastewater Improvement Project. He added that during the application process, the interest rate on the loan was reduced from 2.54% to 2.48% but that this reduction in interest rate was not reflected in the final loan agreement between the city and the Oregon Department of Environmental Quality.

MOTION was made by Sawyer, seconded by Allen, to authorize the Mayor to execute amendment No 1. to the Clean Water State Revolving Loan Agreement No. R68933 which reduces the interest rate on the loan from 2.54% to 2.48%. The motion carried unanimously in a voice vote.

Initiate Process to Annex and Zone City Reservoir Properties. Hawker introduced the agenda item. Nebel reported that on May 6, 2013, the City Council approved a 350-acre Urban Growth Boundary expansion to include lands surrounding the city's reservoirs. He added that Lincoln County approved this same boundary expansion on April 16, 2014. He noted that as a result, the Department of Land Conservation and Development must accept the city/county decision and issue an order amending the UGB to finalize the process. He stated that this was the first of a two-step process of bringing the property into the city limits. He reported that city staff is now recommending that Council proceed with the annexation and zoning of the property. He added that the city owns 309 of the 350 acres within the UGB and the annexation would include only city-owned land as well as Big Creek Road. He noted that the proposed zoning for the property would be P-1/ "Public Structures." He reported that the zoning would be subject to a public hearing before the Planning Commission and the City Council. He added that there are a number of other items that will need to be addressed including transferring the jurisdiction of the road from the county to the city.

MOTION was made by Beemer, seconded by Swanson, to direct staff to initiate annexation of the city-owned properties located within the UGB which surrounds the Big Creek reservoirs along with the adjoining portions of Big Creek Road, pursuant to ORS Chapter 222 with the proposed zoning for the properties being P-1/ "Public Structures," and schedule public hearings on the annexation and zoning before the Newport Planning Commission and City Council in accordance with applicable statutes and the Newport Municipal Code. The motion carried unanimously in a voice vote.

Authorization to Acquire Right-of-Way on NE 6th Street. Hawker introduced the agenda item. Nebel reported that NE 6th Street is a collector roadway that currently

dead-ends just past NE Laurel Street in the residential neighborhood that is situated east of Newport Intermediate School. He noted that the city's long-term plans call for NE 6th Street to connect with Newport Heights Drive to provide secondary access to a large neighborhood that currently has only one roadway connection to several subdivisions and the rest of the city. He stated that this acquisition was precipitated by discussion with property owners John Pachuta and Laurel McGill who plan to build a home on their property beyond the current end of NE 6th Street. He stated that in working with the property owners, an alignment was agreed upon to shift the road to the north in order to preserve buildable property for Pachuta/McGill. He added that as a result, this right-of-way acquisition also involves Homefront Enterprises, LLC (Managing Partner, Brad Bowder). He stated that the proposed alignment will require acquisition of 7,606 square feet from Pachuta/McGill and 7,702 square feet from Homefront Enterprises, LLC in order to create a secondary access for this neighborhood.

Nebel reported that both properties were appraised and as a result of the appraisals an amount of \$21,400 has been agreed to with Pachuta/McGill which is consistent with the appraisal prepared by Bill Adams, MAI. He stated that the appraised value of the property owned by Homefront Enterprises, LLC is \$6,700 for the 7,702 square feet that would be required from this property owner. He noted that several factors are involved with this significantly lower appraised value. He added that this property does not directly front the end of the existing NE 6th Street right-of-way and the property currently does not have access to the city utilities without easements across private property. He stated that the Homefront Enterprises, LLC parcel is 3.75 acres in size, but only 1.75 acres of the property is developable with the balance of the property being a steeply sloped ravine. He reported that as a result, the appraised value of the property averages the good land with the bad land. He stated that Brad Bowder, managing partner of Homefront Enterprises, LLC, indicated that since the city is acquiring 7,606 square feet of his good property; that the rate needs to be adjusted upward. He stated that Tokos and Gross agree that an adjustment is in order based on the quality of the property that the city will be acquiring, and that ultimately, an amount of \$14,171.68 was agreed to for this acquisition. He noted that this still places the square foot cost below the appraised value for the Pachuta/McGill property which is at \$2.81 per square foot while Homefront Enterprises, LLC will be compensated at \$1.84 per square foot for their portion of the right-of-way. He added that the total cost for acquiring this future right-of-way on NE 6th Street will amount to \$37,047.68. He noted that these funds were appropriated out of last year's budget.

Beemer reported that his wife owns property about four lots past the proposed acquisition, and the value of her property will be enhanced by this acquisition, and that he would not be participating in the discussion or vote.

MOTION was made by Sawyer, seconded by Swanson, to approve the acquisition of right-of-way for the future extension of NE 6th Street from John Pachuta and Laurel McGill in the amount of \$21,400 for 7,606 square feet of property, and from Homefront Enterprises, LLC in the amount of \$14,171.68 for 7,702 square feet of property and authorize the City Manager to execute the necessary documents. The motion carried in a voice vote with Beemer abstaining. It was noted that the funds are in escrow.

Thompson's Sanitary Service Report on the 2014 Rate Review and Rate Schedule Proposed for the Fiscal Year Effective July 1, 2014. Hawker introduced the agenda item.

Nebel reported that throughout the course of the past several months, extensive discussions have occurred between Thompson's Sanitary Service and the city as part of the decision to go forward with the residential compostables collection program. He noted that as part of these discussions, the rates for the fiscal year beginning July 1, 2014 through June 30, 2015 were set. He added that there are no increases in the base garbage rates for the next fiscal year. He stated that a rate increase of \$6.59 has been added to all curbside collection customers to include compostables, except for those customers who opt to utilize a 24-gallon cart without composting. He noted that these individuals will pay a rate of \$19.15 per month. He reported that the packet includes the rate review report compiled by Thompson's Sanitary Service showing actual 2013 revenues and expenses, and projected 2014 revenues and expenses. He stated that this report also shows the calculation of labor hours, vessel weights, and customer accounts between city customers and county customers. He noted that the packet also contains a copy of the resolution adopting the 2014/2015 rates.

Nebel reported that during this meeting, a discussion ensued regarding methods for tracking the composting revenues/costs for the 2014 year and beyond. He stated that the financial reports for next year will reflect a partial year with the beginning of the implementation of the composting program during 2014. He added that Thompson's Sanitary Service has indicated that they will work with the city to track these expenses to measure the financial performance of the composting program as compared to the current operations as part of the franchise agreement. He noted that Thompson's Sanitary Service has offered to review any of the financial materials with any individual Councilors who wish more detailed information.

Introduction of New Finance Director Mike Murzynsky. Hawker introduced the agenda item. Nebel reported that Finance Director, Mike Murzynsky has begun his tenure with the city effective today. He added that Murzynsky will be working on a reduced schedule until he wraps up his responsibilities with the City of Albany following the first week of August. He introduced Murzynsky to Council.

Nebel reported that the city has been very fortunate to have Interim Finance Director Bob Gazewood guide the city finances not only through a transition with Finance Directors but also the transition of City Managers. He added that Gazewood will be staying on to work on several special projects on a part-time basis and to work with Murzynsky as he establishes himself as the city's Finance Director.

Murzynsky addressed Council and gave a brief overview of his education and experience, and noted that he is happy to have been selected as the city's new Finance Director.

LOCAL CONTRACT REVIEW BOARD MEETING

Roumagoux called the Local Contract Review Board meeting to order. The City Council acts as the Local Contract Review Board.

Approval of Task Order No. 14 with Civil West Engineering Services, Inc. for the SE Ferry Slip Road Improvements. 7:15 PM. Hawker introduced the agenda item. Nebel reported that the Urban Renewal Agency is proceeding with the reconstruction of SE Ferry Slip Road from the intersection of the recently completed SE Ash Street to SE

32nd Street. He added that the improvements will include curb and gutter, storm drainage improvements, widening of the street to accommodate on-street parking, and a ten-foot multiuse path on the west side. He stated that the multiuse path will extend beyond the intersection of SE 32nd Street and Ferry Slip Road north to SE Marine Science Drive. He added that Gross has negotiated Task Order No. 14 with Civil West Engineering Services, Inc. to provide public outreach and engagement, survey, design, and construction phase services for this project.

Nebel reported that these improvements are being completed as the first phase of a larger project funded in part by the South Beach Urban Renewal District and the State Transportation Improvements Program (STIP) to ultimately include construction of an intersection with a signal at SE 35th Street and Highway 101. He stated that this intersection work is anticipated to occur in the 2016/2017 fiscal year.

MOTION was made by Sawyer, seconded by Beemer, to approve Task Order No. 14 with Civil West Engineering Services, Inc. for the SE Ferry Slip Road engineering services in the amount of \$77,472 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 Task Order No. 7 with Civil West Engineering Services, Inc., for the NE 71st Street Tank and Pump Station Improvements. Hawker introduced the agenda item. Nebel reported that the SE 71st Street tank and pump station improvements is phase two of a two-phase project. He added that the majority of the design of the pump station and tank was completed as part of the design of phase one which included water line upsizing and extensions along Highway 101, NE Avery Street, and NE 71st Street. He stated that the water line improvements were installed to provide extra water capacity in anticipation of phase two. He noted that it is now necessary to proceed with the task order to provide survey, design, bidding, and construction phase services for the construction of a glass lined, one million gallon water tank, and new booster pump station at the end of NE 71st Street. He reported that this will substantially improve fire protection in the northeast portion of the city. He noted that the booster pump station replaces the existing Salmon Run pump station on NE 71st Street which is nearing the end of its useful life. He added that Gross has negotiated Task Order No. 7 with Civil West Engineering Services, Inc. to complete the survey, design, bidding, and construction phase services for the work. Allen asked when the water tank and new pump station will be operational. Gross noted that construction should begin in December or January, and it should be operational some time next summer.

MOTION was made by Sawyer, seconded by Saelens, to approve Task Order No. 7 with Civil West Engineering Services, Inc. for the 71st Street Tank and Pump Station engineering services in the amount of \$84,010 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.

RETURN TO THE REGULAR CITY COUNCIL MEETING

REPORT FROM MAYOR AND COUNCIL

Roumagoux reported that she attended the Chamber Board meeting on June 24.
Roumagoux reported that she attended the June 30, 2014 Town Hall Meeting.

Roumagoux reported that she had received a letter from the Infrastructure Finance Authority thanking the city for submission of a project completion report.

Allen reported that he had attended the recent Town Hall Meeting, and noted that it had been very informational, and that some of the information from the meeting is posted on the city's website.

Allen reported that he attended a meeting of BOEM/State of Oregon Task Force for Ocean Renewable Energy in the outer continental shelf. He noted that he is one of the coastal local government representatives. He added that discussions included the NNMREC or the P MEC grid connected test site, the wind on water test site in Coos Bay, and the PROUA project for making sure that local stakeholders are engaged in the mapping process in federal waters.

Allen reported that he attended Doug Nebert's memorial service on July 5 at the Maritime Museum. He noted that it was well-attended and a very touching ceremony.

Beemer reported that he attended Doug Nebert's memorial service and agreed with Allen's assessment.

Beemer reported that the news at the last Port meeting was that nothing will happen at Teevin site this year.

Beemer reported that he and Saelens are members of the Solid Waste Advisory Committee. He added that the meetings are very interesting, but it is difficult to get a quorum in order to meet. He noted that one of the questions that has arisen is whether Lincoln County is getting appropriate credit for recycling. He stated that it appears the county is doing a good job based on available statistics.

Beemer reported that he attended the "Black Tulip," an excellent play written by a high school teacher, whose son wrote the music and directed the orchestra, and whose wife was the director, who had three children in the play, and a brother-in-law who played the sheriff.

Saelens stated that he is the Lincoln County staff for the Solid Waste Advisory Committee, and confirmed that the question of materials leaving the county had never been asked. He noted that the county is getting credit for its recycling. He added that one of the items that the Committee wants to discuss is how to fund solid waste management in the county.

Busby reported that the Public Arts Committee had met and chosen a Public Arts Selection Panel to work with the swimming pool architects on the Percent for the Arts program as it applies to this project.

Busby thanked staff for the recent Town Hall Meeting in South Beach.

Busby reported that he attended a recent CWATC meeting. He noted that the Corvallis to Coast Trail project will receive a two million dollar grant; and the Port of Toledo will receive a 4.2 million dollar grant. He stated that the city needs to look at ConnectOregon grant opportunities at the airport next year. He noted that the state has delayed the STIP because it does not know how much federal money it will get. He added that most of the meeting was used by an engineer from ODOT and geologists from DOGAMI, adding that it was announced that an estimate to reinforce state bridges is 2.3 billion dollars. He noted that ODOT has prioritized three state highways to ensure they are ready for an earthquake; the first is Highway 97; I-5 is second; and Highway 101 is the third.

Swanson reported that she will graduate from the Citizen's Police Academy this week, and that it has been an interesting program.

Saelens reported that he and Nebel met with the VAC Committee. He noted that another meeting is scheduled in late July or early August.

Saelens reported that he is unable to attend the Parks and Recreation Advisory Committee meeting next week, and asked whether anyone wanted to attend in his stead.

Busby asked about Councilors signing up for the City Employee Committee meetings, and it was noted that a sign-up sheet would be made available.

Sawyer reported that a friend in Florence had seen a Newport advertisement on KEZI and was impressed that the city had done this.

Saelens reported that the VAC Committee has a goal of holding six major events annually, and is working on having VAC events tweeted to Portland twitter accounts.

Busby asked how many people were in town during the weekend, and Miranda reported that there were approximately 45,000 people watching the fireworks.

Roumagoux displayed the budget document and thanked Bob Gazewood for his work on the budget.

ADJOURNMENT

Having no further business, the meeting adjourned at 7:48 P.M.

Margaret M. Hawker, City Recorder

Sandra N. Roumagoux, Mayor