

November 18, 2013
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, Sawyer, and Saelens were present.

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

PLEDGE OF ALLEGIANCE

Council and the audience participated in the Pledge of Allegiance.

ADDITIONS/DELETIONS AND APPROVAL OF AGENDA

Roumagoux added action item E. regarding the public safety radio system.

CONSENT CALENDAR

The consent calendar consisted of the following items:

- A. Approval of City Council minutes from the work session and regular meeting of November 4, 2013.

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

OFFICER'S REPORTS

Mayor's Report. Roumagoux thanked Sawyer for presiding over the last meeting in her absence.

Roumagoux reported that she had called the Oregon Government Ethics Commission relative to any discussion regarding the Visual Arts Center, and had asked how to classify herself in light of her history with the building. She noted that she was informed that if she had benefitted from her affiliation with the VAC, she had an actual conflict of interest. She stated that over the years when she has exhibited paintings at the VAC, and buyers have called her home to see if paintings were available. She added that these buyers would not have known about her work if not for the VAC. She reported that she has shown her work on numerous occasions at the VAC and these exhibits have resulted in direct or follow-up sales. She stated that due to this actual conflict, she will recuse herself from the discussion of Resolution No. 3650 and that Council President Sawyer will preside during discussion on this item. She added that

she is also removing herself as Council Liaison to the Public Art Committee and appointing Busby to replace her.

Roumagoux reported that she attended a YBEF meeting at which Bob Cowen, director of the Hatfield Marine Science Center, made a presentation on the potential increase of programming and students.

Roumagoux reported that she had spent the morning of October 25 touring the Lincoln County Jail. She added that in the afternoon, she attended the Lincoln County Mayor's meeting in Toledo.

Roumagoux reported that she had represented the city at the Rogue Brewery's 25th anniversary celebration.

Roumagoux reported that she had attended the city employee's soup and chili cook-off.

Roumagoux reported that she had met Blaze, the Portland Trailblazer's mascot, and celebrated bringing the game ball, from the first game of the season, from Coos Bay to Astoria.

Roumagoux reported that she had selected the Yaquina Arts Association photography exhibit award.

Roumagoux reported that she had attended the celebration of life for Oly Olson.

Roumagoux reported that she learned that the US Coast Guard Yaquina Bay will be featured in "Coast Guard: Cape Disappointment/ Pacific Northwest," on the Weather Channel in February.

Roumagoux read a letter from Business Oregon regarding the Special Public Works Emergency Fund project.

City Manager's Report. Smith reported that departmental reports are included in the packet.

Smith reported that he had delivered a welcoming address to the Association of Conservation Districts and Network of Watershed Councils. He thanked Saelens for the invitation to make this presentation.

Sawyer asked about the location of CoastCom's warehouse.

Sawyer thanked the Pool Advisory Committee for its work on the pool bond.

DISCUSSION ITEMS AND PRESENTATIONS

City Center Newport Association - Electronic Message Sign Presentation. Frank Geltner and Zach Poole, and a quorum of the board of directors of the City Center Newport Association, were in attendance to request Council direction on a proposed electronic message sign at Highway 101 and Hurbert Street. Geltner displayed a sample sign and requested that the city fund and construct an electronic message board sign as a gateway design feature for the Deco District. It was noted that the sign would be placed on city property at the northwest corner of SW Hurbert Street and Highway 101, and that the source of funding is transient room tax monies that were previously transferred to the city's capital projects fund for construction of a pocket park at this location. Geltner asked that these monies be repurposed so that they could be used to construct the electronic message sign that would be designed in an art deco style and serve as a gateway entrance to the business district. Smith reported that the money is available, and Tokos added that there are actions that Council may need to take in order

for it to be expended on this project. Tokos noted that staff can identify exactly what steps need to be taken if Council supports moving forward with the concept. Swanson asked whether the money is specifically for a sign or whether it can be used for something else. Sawyer asked Geltner whether the CCNA has a budget or will only use city money for the project. Geltner reported that the sign purchase plus site preparation will cost approximately \$49,000. Roumagoux asked whether the sign content changes, and Geltner reported that it does change and that he hopes to garner enough support so that the city changes the ordinance to allow the sign to change in a shorter time than the current five minutes. Allen asked whether the Chamber of Commerce has a similar sign, and Geltner responded that it does not. Allen asked whether Geltner had approached the Chamber of Commerce to determine whether it might be interested in assisting with the funding of the sign, and added that this might be beneficial to the Chamber. Allen suggested approaching Lorna Davis, Executive Director of the Chamber of Commerce, and returning to Council after determining whether the Chamber is interested in partnering in this project. Busby asked who would be responsible for maintenance of the sign, and Geltner responded that the city would own the sign. Sawyer suggested that the parking district could be responsible for sign maintenance. Geltner reported that the broader non-profit community has wanted signage presence on Highway 101 for decades. Swanson reported that she had conducted a small survey and people are not in favor of the sign, but would be in favor of a small park. Geltner noted that CCNA wants something to happen on that corner, and that the sign currently has the most support as it would get messages out to the public. Swanson stated that she would like to see alternate ideas. Busby noted that his initial reaction is that he would rather see art at this location. Allen reiterated that he would not mind pursuing the issue further, but would like to see the cost with partners involved if the project moves forward. Allen added that he thinks this is along the lines of what Council thought CCNA would come back with, including the design, reader board time, and potential partners like the Chamber. Sawyer stated that he was opposed to the initially proposed concrete sculpture, but that this proposal includes art and a message, and he likes that. He added that his only concern is the budget, and stated that he would like to see the budget. Sawyer added that his greatest concern is that this is a private project and he would like Gross or Tokos to weigh in on the proposal. Gross stated that CCNA is going to run into prevailing wage issues on this project which will increase the cost by 25% - 50%. He suggested that the sign could be procured separately so that the prevailing wage does not apply to the sign. He added that the installation could also be procured separately. Sawyer stated that he would like city oversight on the sign construction. Gross stated that he is more concerned with long-term maintenance and operating costs. Saelens noted that it is an attractive sign, as lighted signs go. He added that if a lighted sign were selected, it should have the ability to turn off after 11 P.M. or so. He suggested community forums to obtain full community support for the project, and that perhaps, in addition to a lighted sign, an option for a sculpture and a mini-park could be considered. Saelens added that he is concerned that some citizens might rather see something else. Geltner stated that this design is something that the entire CCNA board supported. Swanson stated that another issue with the sign is that if there is ever a couplet developed, only half the travelers will see the sign. She added that the sign is not appropriate for that location and suggested that a piece of art designed by Stephan would be excellent. Allen noted that there are valid arguments on both sides, but that

CCNA has proposed something to Council, and he would like to see it further vetted and returned to Council with additional information, and if there is a better proposal with artwork, to include that when the item returns to Council. It was noted that since transient room tax money is used for advertising to tourists, this is a direct connection and appropriate use of transient room tax monies. Sawyer asked whether it would detract from the sign to add the time and temperature. Geltner noted that a sculpture could be placed in the archway. Geltner agreed to obtain additional information and return to Council.

Presentation by Thompson's Sanitary Service on Curbside Composting. Rob Thompson and Ken Riley, of Thompson's Sanitary Service, appeared before Council. Thompson introduced Lisa Kallenberger and Amy Thompson, from Thompson's Sanitary Service, and Jordan Trimmer, from Pacific Region Compost. Thompson noted that he plans to present the same presentation he made at the Town Hall meeting on September 30. The audio system malfunctioned and the presentation was narrated by Rob Thompson and Trimmer. The presentation included an overview; review of weekly curbside recycling; the proposed composting program that would include woody debris and food waste; and a proposed timeline for the institution of service. Saelens reported that the Solid Waste Advisory Committee will work on updating its master plan with food waste and woody debris on top of list, and integrating an emergency management plan. Thompson reported that 30% of landfill waste is food waste. It was reported that the curbside composting cost would be \$6.59 per month of an increase, but that there is the potential for a customer to save money. It was noted that the amount of savings will depend on the size of the trash can, and whether enough waste can be placed in the composting can to reduce the size of the trash can. Busby asked Thompson and Riley how they expect their gross revenues to be impacted annually. Allen noted that Thompson and Riley are not asking for anything more than what is allowed by the agreement. Thompson stated that he has used data from other jurisdictions, and the best estimate is based on a lot of other data. Allen noted that if the estimate of \$6.59 needs to be adjusted, Thompson's will have that information in front of Council during the next rate review. It was noted that there would be an ongoing vetting process on an annual basis. Swanson asked whether woody debris would include tissue paper and whether it would go into the composting. Trimmer reported that ink on newsprint is fine for composting as is tissue paper. He added that wrapping paper is probably acceptable. A small household compost bucket was on display, and it was noted that the small bucket would not be included in the monthly charge, but could be purchased if users were interested. Saelens asked how a 95 gallon container compares to yards. It was noted that a 95 gallon container is slightly less than one-half yard. Busby reported that one of the biggest complaints are from people who already have a way to get rid of compost, and the other complaint is that no one has a place to store a 95 gallon container as it will not fit in a garage. He added that it would be nice if there was an alternative to the 95 gallon container. Allen stated that there is no right or wrong answer, as it is a balancing act, and will be a policy choice for Council to weigh and determine the most favorable course of action. Allen noted that these presentations are great, but, that he would like more public feedback by April or May when a decision must be made. Swanson asked about the possibility of the compost coming back to Lincoln County so that rate payers can use it. Thompson noted that what would be picked up from the curb

is a waste product which would be hauled to a facility to convert it to a desirable product. Sawyer stated that lots of folks have gone to smaller trash containers and some do their own composting. He added that the comment he is receiving is that since people are already doing their own composting they will not save anything. Sawyer asked whether there is a way that a third size of trash can could be used. Riley noted that Thompson's could institute other plans, including picking up garbage monthly and recycling and composting on a weekly schedule. Riley noted that you cannot put everything in a backyard composting bin that you can put into one of the proposed bins. Sawyer suggested that Thompson's include a survey on the issue in one of its monthly bills. Thompson reported that rates have decreased when necessary. He added that a 96 gallon cart does not utilize more space than a 65 gallon cart. Thompson noted that when comingled recycling was instituted, there were tremendous improvements in the participation and recovery from the waste stream. He added that there need to be services so that customers can be responsible for their materials. Thompson reviewed the relationship between tons recovered and the monthly rate charged for those services. Allen stated that the best way to inform the public is what Thompson's is doing by getting the information out to the customers. Thompson noted that there is information on Facebook and on the Thompson's website. He agreed to e-mail this evening's presentation to anyone who wants it. Allen suggested that Thompson's include information in its newsletter regarding when Council will be considering the rate review and this particular proposal. Sawyer asked whether Thompson's has done research on contractor debris.

Presentation on Distracted Driving. Miranda had a video presentation on distracted driving, but the audio malfunctioned, so he narrated the presentation. Miranda stated that he would find out whether the video could be placed on the Police Department webpage.

ACTION ITEMS

Consideration of Resolution No. 3650 - Support for a Visual Arts Center in the City of Newport. Roumagoux recused herself from this discussion due to an actual conflict of interest. It was reported that the issue before Council is consideration of Resolution No. 3650 expressing support for a visual arts center in the city. It was noted that Council directed staff, at its October 7, 2013 meeting, to meet with members of the arts community to discuss the re-envisioning of the Visual Arts Center, and particularly to develop a plan of action to move this process forward. It was added that Council further directed staff to draft a resolution that: recognizes that the City Council is interested in seeing a financially sustainable plan that will ensure the long-term success of a visual arts center in the community; acknowledges the offer from the OCCA Board of Directors to develop such a plan for presentation to the City Council by its first meeting in March of 2014; reiterates that the City Council will provide a liaison to assist and support OCCA in its efforts; acknowledges that the plan for achieving financial sustainability will look strategically at the existing Visual Arts Center business model, its operations, maintenance, and ownership, and may result in a recommendation that the VAC continue to operate at its present location or that the property be sold if a sale would help secure the long-term viability of a visual arts center within the community; and

defers discussion of the potential sale of the VAC property until OCCA has had an opportunity to develop the plan and present its recommendations.

Mark McConnell, Catherine Rickbone, and Sandy Williams appeared before Council representing OCCA. McConnell distributed a draft resolution. Rickbone reviewed the suggested changes and asked for Council consideration of the revisions. McConnell stated that the input on the resolution was provided by OCCA. He asked audience members who supported the change to stand up to express support, and most of the audience stood.

There was a consensus of Council to replace the old language with the language presented by OCCA. McConnell reviewed several of the revisions.

Sawyer reported that Bob Riggs and Sally Carr had expressed written support for the revised resolution, but had to leave the meeting.

Terry Brady thanked OCCA for taking the lead and getting this resolution moving forward. She stated that she believes that as OCCA moves forward in an attempt to solve the VAC problems, that more of the community should be involved. She added that in addition to OCCA, the Coastal Arts Guild, Yaquina Arts Association, and others should be involved in the effort. She noted that the city needs to carefully consider new expenditures.

Mary Peterson asked whether the VAC had been subsidizing the operation and maintenance of the public walkway and bathrooms near the VAC. She asked how much money this had totaled over the years.

Carla Perry noted that the title of the resolution refers to “a” visual arts center, rather than “the” Visual Arts Center.

Allen noted that the resolution indicates that OCCA will enlist the broader community in the effort. Rickbone reported that the first brainstorming session will be held December 12, and this will start a process for everyone in the community to have input.

MOTION was made by Beemer, seconded by Busby, to adopt Resolution No. 3650 expressing support for the visual arts center in the City of Newport, as amended by the OCCA management team. The motion unanimously in a voice vote. (Roumagoux had recused herself).

Roumagoux returned to the meeting at this point.

Re-Adoption of Ordinance No. 2060 - Annexing a South Beach Property Owned by Spy, LLC into the Corporate Limits of the City and Withdrawing the Property from the Newport Rural Fire Protection District and the Lincoln County Library District. Tokos reported that the issue before Council is the reconsideration of Ordinance No. 2060 approving an annexation application filed by Spy, LLC to bring the property (between 40th and 50th Streets on Highway 101) it owns into the city limits with an I-1/”Light Industrial” zoning designation. He noted that Council held a public hearing on the ordinance on October 7, and approved the request after considering the recommendation of the Planning Commission and the evidence and argument presented at the public hearing. Tokos added that the ordinance that was presented to Council on October 7 was not signed; subsequent legal review was performed; and changes have been made to the document necessitating that it be readopted by Council. He stated that since no comments or concerns were expressed regarding the ordinance, and in the interest of facilitating the petitioner’s desire to proceed with the

construction of a warehouse building which cannot occur until the annexation is completed, the ordinance before Council this evening contains an emergency clause which would make it effective immediately on adoption.

MOTION was made by Beemer, seconded by Swanson, to read Ordinance No. 2060, an ordinance annexing territory to the City of Newport, withdrawing the annexed territory from the Newport Rural Fire Protection District and Lincoln County Library District, and establishing zoning for the annexed territory, by title only, and place for final passage. The motion carried unanimously in a voice vote. Hawker read the title of Ordinance No. 2060. Voting aye on the adoption of Ordinance No. 2060 were Swanson, Busby, Sawyer, Allen, Beemer, Saelens, and Roumagoux.

Consideration of an Intergovernmental Agreement with Lincoln County Related to the Agate Beach Storage Tank Project. Tokos reported that the issue before Council is consideration of whether it is appropriate for the city to enter into an intergovernmental agreement with Lincoln County that implements Condition No. 3 of a Conditional Use Permit that the city obtained to construct a domestic water storage tank on property located at the east end of NE 71st Street. He noted that the condition was imposed because the property lies outside of the city limits on land that is subject to Statewide Planning Goal 4 for the protection of forest land, and its corresponding statutes and rules that are implemented through the County's Timber-Conservation zoning district. He added that with this agreement, the city acknowledges the rights of adjacent landowners to conduct forest operations in accordance with applicable laws, accepts potential impacts associated with such activities, and agrees to avoid undertaking activities that conflict with nearby forest uses and practices. He stated that city and county legal counsel have reviewed the agreement and determined that it is sufficient to satisfy Condition No. 3, and the Board of Commissioners is scheduled to consider the agreement at its November 27, 2013 meeting.

MOTION was made by Beemer, seconded by Swanson, to authorize the City Manager to sign the intergovernmental agreement with Lincoln County relating to Condition No. 3 of County Conditional Use Permit No. 03-C-Adm-13. The motion carried unanimously in a voice vote.

Consideration of Change to the Schedule for Payment of Employee's Health Deductible for Employees Participating in the HSA and VEBA Health Plans. Smith reported that the issue before Council is consideration of a change to the schedule in which the city's contribution toward employee's health insurance deductible is paid for employees participating in the VEBA and HSA. He noted that the deductible payments were scheduled to be paid quarterly beginning in January 2014, but the recommendation is to pay the deductible in a lump sum on January 1, 2014 and subsequent years unless changed by motion of the City Council. Smith added that the change is being requested because staff was made aware of the potential hardship created by making quarterly payments in the event an employee, or family member, had a serious medical issue early in the calendar year or a continuing medical issue from the previous year, and the employee is required to pay the entire deductible up front and wait throughout the year for reimbursement.

MOTION was made by Busby, seconded by Beemer, that in calendar year 2014 and subsequent years, unless changed by motion of the City Council, the city's contribution

toward the VEBA and HSA health insurance deductible, for all employees participating in these plans, be paid to employees in a lump sum on January 1, beginning on January 1, 2014. The motion carried unanimously in a voice vote.

Public Safety Radio System. Miranda advised Council regarding issues associated with the police radio system. He stated that the Newport Police Association had sent a demand to bargain as they are unhappy with radio system. Miranda stated that the system is not good and is a hazard. He added that it is owned by the County, but the County is in the process of putting together a new radio system that will be operational by the end of this month. He stated that if it does not solve the problems, the bargaining unit will likely go through the demand to bargain process. He added that if that occurs, the city may have to come up with contingency money to purchase radios and/or a repeater. Miranda stated that if there are big ticket items or anything major, he will come back to Council. He noted that the extent will not be known until the new system is on line. Sawyer asked what discussions Miranda had had with Lincoln County. Miranda stated that Lincoln County is completely replacing the existing equipment. He noted that there are three repeaters in the county and the officers need to know where in the county to switch to those systems. Sawyer asked whether Homeland Security grants could have been obtained to fund this equipment. Allen stated that he would like more clarity on discretion and costs. Allen stated that the City Council will have to be involved if budgetary expenses have to be made and bargaining must occur.

MOTION was made by Allen, seconded by Beemer, to confirm and approve staff's discretionary decisions regarding the budgeting and management of the radio system as reported to Council by Police Chief Miranda. The motion carried unanimously in a voice vote.

COUNCIL REPORTS AND COMMENTS

Sawyer reported that he had participated in the KCUP radio show again.

Sawyer reported that he had attended the Kurt Shrader Town Hall meeting. He noted that it was well-attended, and the majority of questions focused on the Affordable Care Act.

Sawyer reported that he had chaired the last Council meeting when the Mayor was out of town, and noted that he is glad she is back.

Saelens reported that the pool bond measure passed, and that he enjoyed thanking the many people who worked to make it happen.

Saelens reported that he had attended a recent meeting of the Bicycle/Pedestrian Advisory Committee. He added that the focus was on letting go of the past and working on how to proceed in the future. He noted that the Committee has requested a work session with Council on December 16. He stated that the Committee will finalize its presentation to Council at its next meeting. Allen noted that he would like a list of what the Committee would like to talk with Council about.

Swanson reported that she had attended a recent meeting of the Senior Advisory Committee. She noted that a Thanksgiving dinner is scheduled on November 24; the Creating Legacy project will occur on December 14; and a drop and shop program will be offered to the community.

Swanson reported on a recent meeting of the Library Board. She noted that the Library is in the process of reassessment including facility, space, and technology reviews. Smith added that the biggest issue is that the Library will be housed in the current building for at least eight to ten more years, and the assessment will include an analysis of workflow and how the Library is laid out to create efficiencies. He reported that an interior decorator will be consulted regarding paint, furnishings, etc. He added that another issue is a better opportunity to talk with the Library Foundation as a major funder of Library improvements.

Busby reported that he attended the open house for the newly-constructed Umpqua Bank.

Busby reported that he attended a recent meeting of the Airport Committee, and that the Committee continues to tackle major issues. He recommended that a closure date be established for the major issues under discussion.

Beemer reported that the Port of Newport Commission will meet tomorrow.

Beemer reported that the Big Creek Road repair appears to be on schedule, and it is planned to have the work completed by Thanksgiving.

Beemer expressed thanks to the anonymous person who paid for the pool bond signs.

Allen reported that the Infrastructure Task Force met on November 7. He noted that the funding restructuring agenda item was deferred until Gazewood can attend. He stated that the next meeting is scheduled for November 21. He added that after the November 21 meeting, the group will probably start talking about recommendations that it may wish to move forward on. Allen noted that there will be meetings on December 5 and 19, and the goal is to bring a set of recommendations to the City Council in January.

Allen noted that a Council liaison to the group supporting the VAC should be selected. Swanson indicated interest.

ADJOURNMENT

Having no further business, the meeting adjourned at 8:37 P.M.

Margaret M. Hawker, City Recorder

Sandra N. Roumagoux, Mayor