

**RESOLUTION NO 23-1015**

**A RESOLUTION APPROVING CITY MANAGER PERFORMANCE EVALUATION  
ANNUAL SUMMARY**

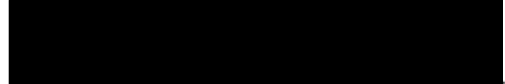
**WHEREAS**, pursuant to Section 32 of the City Charter, the City Manager is the administrative head of the city government, and is responsible to the Mayor and Council for the proper administration of all city business; and

**WHEREAS**, the City Council evaluated the performance of the City Manager in Executive Session under ORS 192.660(2)(i) held on December 13, 2023.

**NOW, THEREFORE, BE IT RESOLVED**, that the City of Rockaway Beach City Council hereby approves and adopts the City Manager Performance Evaluation Annual Summary for January 2023 to December 2023, attached as Exhibit A.

**APPROVED AND ADOPTED BY THE CITY COUNCIL, AND EFFECTIVE THE 13TH  
DAY OF DECEMBER 2023.**

APPROVED



Charles McNeilly, Mayor

ATTEST



Melissa Thompson, City Recorder

City Manager Performance Evaluation  
Annual Summary

City of Rockaway Beach

Evaluation period: January 2023 to December 2023

APPROVED AND ADOPTED BY THE CITY COUNCIL  
THE \_\_\_\_\_ TH DAY OF DECEMBER 2023.

APPROVED:

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Charles McNeilly, Mayor

ATTEST:

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Melissa Thompson, City Recorder

## INSTRUCTIONS

This evaluation form contains ten categories of evaluation criteria. Each category contains a statement to describe a behavior standard in that category. For each statement, use the following scale to indicate your rating of the city manager's performance.

- 5 = Excellent** (almost always exceeds the performance standard)
- 4 = Above average** (generally exceeds the performance standard)
- 3 = Average** (generally meets the performance standard)
- 2 = Below average** (usually does not meet the performance standard)
- 1 = Poor** (rarely meets the performance standard)

Any item left blank will be interpreted as a score of "3 = Average"

This evaluation form also contains a provision for entering narrative comments, including an opportunity to enter responses to specific questions and an opportunity to list any comments you believe appropriate and pertinent to the rating period. Please write legibly.

Leave all pages of this evaluation form attached. Initial each page. Sign and date the cover page. On the date space of the cover page, enter the date the evaluation form was submitted. All evaluations presented prior to the deadline identified on the cover page will be summarized into a performance evaluation to be presented by the governing body to the city manager as part of the agenda for the meeting indicated on the cover page.

## PERFORMANCE CATEGORY SCORING

### 1. INDIVIDUAL CHARACTERISTICS

- 4.50 Diligent and thorough in the discharge of duties, "self-starter"
- 4.33 Exercises good judgment
- 4.17 Displays enthusiasm, cooperation, and will to adapt
- 4.50 Mental and physical stamina appropriate for the position
- 4.17 Exhibits composure, appearance and attitude appropriate for executive position

Add the values from above and enter the subtotal  $\frac{21.67}{5} = 4.33$  score for this category

**2. PROFESSIONAL SKILLS AND STATUS**

- 4.33 Maintains knowledge of current developments affecting the practice of local government management
- 4.33 Demonstrates a capacity for innovation and creativity
- 4.33 Anticipates and analyzes problems to develop effective approaches for solving them
- 4.17 Willing to try new ideas proposed by governing body members and/or staff
- 3.67 Sets a professional example by handling affairs of the public office in a fair and impartial manner

Add the values from above and enter the subtotal  $\frac{20.80}{5} = 4.17$  score for this category

**3. RELATIONS WITH ELECTED MEMBERS OF THE GOVERNING BODY**

- 3.83 Carries out directives of the body as a whole as opposed to those of any one member or minority group
- 3.67 Sets meeting agendas that reflect the guidance of the governing body and avoids unnecessary involvement in administrative actions
- 3.83 Disseminates complete and accurate information equally to all members in a timely manner
- 4.00 Assists by facilitating decision making without usurping authority
- 3.83 Responds well to requests, advice, and constructive criticism

Add the values from above and enter the subtotal  $\frac{19.1}{5} = 3.83$  score for this category

**4. POLICY EXECUTION**

- 4.00 Implements governing body actions in accordance with the intent of council
- 4.00 Supports the actions of the governing body after a decision has been reached, both inside and outside the organization
- 4.00 Understands, supports, and enforces local government's laws, policies, and ordinances
- 3.17 Reviews ordinance and policy procedures periodically to suggest improvements to their effectiveness
- 3.83 Offers workable alternatives to the governing body for changes in law or policy when an existing policy or ordinance is no longer practical

Add the values from above and enter the subtotal  $\frac{19.00}{5} = 3.80$  score for this category

**5. REPORTING**

- 3.83 Provides regular information and reports to the governing body concerning matters of importance to the local government, using the city charter as guide
- 3.83 Responds in a timely manner to requests from the governing body for special reports
- 3.83 Takes the initiative to provide information, advice, and recommendations to the governing body on matters that are non-routine and not administrative in nature
- 4.50 Reports produced by the manager are accurate, comprehensive, concise and written to their intended audience
- 3.83 Produces and handles reports in a way to convey the message that affairs of the organization are open to public scrutiny

Add the values from above and enter the subtotal  $\frac{19.83}{5} = 3.97$  score for this category

**6. CITIZEN RELATIONS**

- 3.33 Responsive to requests from citizens
- 4.17 Demonstrates a dedication to service to the community and its citizens
- 4.17 Maintains a nonpartisan approach in dealing with the news media
- 4.17 Meets with and listens to members of the community to discuss their concerns and strives to understand their interests
- 4.17 Gives an appropriate effort to maintain citizen satisfaction with city services

Add the values from above and enter the subtotal  $\frac{20.00}{5} = 4.00$  score for this category

**7. STAFFING**

- 4.33 Recruits and retains competent personnel for staff positions
- 4.00 Applies an appropriate level of supervision to improve any areas of substandard performance
- 4.17 Stays accurately informed and appropriately concerned about employee relations
- 4.00 Professionally manages the compensation and benefits plan
- 4.00 Promotes training and development opportunities for employees at all levels of the organization

Add the values from above and enter the subtotal  $\frac{20.50}{5} = 4.10$  score for this category

**8. SUPERVISION**

- 4.33 Encourages heads of departments to make decisions within their jurisdictions with minimal city manager involvement, yet maintains general control of operations by providing the right amount of communication to the staff
- 4.17 Instills confidence and promotes initiative in subordinates through supportive rather than restrictive controls for their programs while still monitoring operations at the department level
- 4.33 Develops and maintains a friendly and informal relationship with the staff and work force in general, yet maintains the professional dignity of the city manager's office
- 4.17 Sustains or improves staff performance by evaluating the performance of staff members at least annually, setting goals and objectives for them, periodically assessing their progress, and providing appropriate feedback
- 4.00 Encourages teamwork, innovation, and effective problem-solving among the staff members

Add the values from above and enter the subtotal  $\frac{21.00}{5} = 4.20$  score for this category

**9. FISCAL MANAGEMENT**

- 4.00 Prepares a balanced budget to provide services at a level directed by council
- 4.33 Makes the best possible use of available funds, conscious of the need to operate the local government efficiently and effectively
- 4.33 Prepares a budget and budgetary recommendations in an intelligent and accessible format
- 4.33 Ensures actions and decisions reflect an appropriate level of responsibility for financial planning and accountability
- 4.17 Appropriately monitors and manages fiscal activities of the organization

Add the values from above and enter the subtotal  $\frac{21.17}{5} = 4.23$  score for this category

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**10. COMMUNITY**

3.83 Shares responsibility for addressing the difficult issues facing the city

3.83 Avoids unnecessary controversy

4.17 Cooperates with neighboring communities and the county

4.00 Helps the council address future needs and develop adequate plans to address long term trends

4.17 Cooperates with other regional, state and federal government agencies

Add the values from above and enter the subtotal 20.00 ÷ 5 = 4.00 score for this category

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## 2023 City Manager Shepard Narrative Evaluation – Compilation

### What would you identify as the manager's strength(s), expressed in terms of the principle results achieved during the rating period?

Luke is quite organized and easy to work with. In all the years I've been involved with the Council, I've worked with 4 City Managers. I have found Luke to be the easiest to work with. Whenever he hears me at the front counter, he comes out to see if I have any questions. Quite often, he calls me the night before Council Meetings to see if I had any questions. No other Manager has done that.

City Manager Luke Shepard's job performance grew exceptionally during this performance evaluation year. This is partly due to the substantial support he received this year from the Council and the Mayor. It is also partly due to his putting structures in place to allow him to grow professionally. This exceptional growth of Mr. Shepard's skillfulness and proficiency is one of his major strengths.

Another major strength of the City Manager is his work with City staff. Luke has been skilled at creating a positive work environment and bringing in employees to fill vacant positions who are highly qualified. He allows employees the autonomy they need to grow while also providing supervisory structure.

Fiscal management is another area Mr. Shepard exceeds expectations. He looks for ways to fund projects without putting a burden on City resources.

The City Manager worked long hours and is dedicated to the City. This is evidenced by the City Manager's year-end report of the numerous projects completed and in progress this year. (See City Manager's end of year review (2023 Executive Memorandum) for specific actions the City Manager has taken this year).

The Manager clearly presents and keeps abreast of the City's most pertinent issues and needs, and does so with a professional and open manner. The Manager understands and drives forward a multitude of complex issues/projects – especially geared toward the betterment of our City. The Manager is highly qualified and succinctly capable.

Strengthened City Management by recently hiring equipped and professional staff.  
Promoting education especially within public works and emergency services

Mr. Shepard's strengths are in finance. We as a City have never been so solvent. We are making great strides in implementing amenities including the Lake Lytle improvements.

City Manager Shepard is highly accessible; willing to meet with Council members as requested. I benefit greatly from our weekly meetings. City Manager also asked to join my monthly What's On Your Mind community meetings to make them Coffee with Manager and Mayor. He also volunteered to join with me on my Saturday What's On Your Mind session.



## 2023 City Manager Shepard Narrative Evaluation – Compilation

City Manager Shepard has shown a knack for identifying staffing needs. He reorganized the Planning Department so that the City would be able to hire a full time Planner. He also identified the need to bring back a City Recorder and acted on the awareness.

City Manager Shepard has shown that he excels at talent acquisition with the hiring of Mary Johnson (City Planner) and Melissa Thompson (City Recorder).

City Manager Shepard understands the importance of professional development for City staff and government officials; he enrolled the City in the CIS Learning Center to bring additional training opportunities to staff, Council, Planning Commission, etc.

City Manager Shepard will go the extra mile to meet the needs of our community. When we had the officer involved shooting he worked overtime to support the Sheriff's department and get a Press Release published.

City Manager Shepard will roll up his sleeves and tackle new initiatives with gusto and perspective. His recent work on putting together the go forward plan and structure to get a Jetty Creek Water Protection Plan developed including community engagement is an excellent example of this.

City Manager Shepard listens and values contrasting opinions. I value that fact that he will always listen attentively to my thoughts and opinions on City business; and that he will challenge me with facts and perspective.

City Manager Shepard looks for opportunities to improve city operations. He recently migrated to a new IT provided to improve the technical infrastructure at City Hall for staff. He also recognize the Council Room technology was sub-optimal and oversaw a total upgrade of the technology in the Room.

City Manager Shepard looks for ways to improve the interface between our Community and City Hall. He eliminated the tiny utility billing post cards by implementing an improved utility billing system.

### **What performance area(s) would identify as most critical for improvement?**

Citizen relations: Disparity amongst citizens treatment dependent upon their previous history with the city.

As a Council member, I do not receive the same information | treatment | out reach as other Councilors. This is apparent to the citizenship, which is embarrassing.

The main area that might use a bit of improvement would be in the response and /or the timeliness of the response when interacting with someone that may come across as difficult or rude. This would be a challenge for most and requires some thoughtful

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## 2023 City Manager Shepard Narrative Evaluation – Compilation

approaches. It is also understood that one cannot please everyone. Just something to ponder.

Although there are no identifiable weaknesses in the Reporting performance area, I would like to see:

- Trend information in the monthly Tillamook County Sheriff's Office report
- City Manager monthly report in Council Packet
- Fund balances on monthly financial reports

I don't believe that Mr. Shepard has any critical areas for improvement. His performance has been above average.

One area of growth I see for Luke is in identifying and advising Council on Ordinance and Policy updating. He inherited a set of Policy documents that had not been updated in a timely manner. As a result, he will need to put in extra effort to help the governing body to catch up.

Another area for growth is in timely updates to the Council. Council needs current information so they can effectively communicate with the public. A weekly email update might be helpful.

### **What constructive suggestions or assistance can you offer the manager to enhance performance?**

Continue to attend LOC and ICMA conferences; and leverage LOC/ICMA/CIS training opportunities for professional development.

Treat everyone on the Council the same. Abide by the Charter, Ordinances, and Comp Plan wholly, not selectively.

I commend the City Manager for his exceptional professional growth this year. I also commend him for his working with the governing body to help us grow in our role also. I would suggest he continue his membership in professional organizations, workshops and trainings, and meeting with other City Managers in order to continue his professional development.

As stated in the last section, especially in attempting to not take things personally – though it is recognized that sometimes the verbiage is a direct attack. Again, something most of us would find difficult.

### **What other comments do you have for the manager; e.g., priorities, expectations, goals or objectives for the new rating period?**

This is the first professional best practices performance evaluation the governing body has conducted with the City Manager. As such, I suggest close collaboration with the governing body to set job goals for next year.

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## 2023 City Manager Shepard Narrative Evaluation – Compilation

Part of that collaboration can be enhanced with an updated Comprehensive Plan and Strategic Vision. I encourage the City Manager to work with City Council on these documents.

Creating an effective City Manager performance evaluation takes time and effort. Mr. Shepard willingly participated in the effort this year to build a City Manager evaluation from the ground up. In many areas, he provided valuable leadership in the process. I suggest he continue this evaluation collaboration with the governing body.

I would like to thank the Manager for his dedication and let him know it is recognized what an important role he plays and how much he has helped our city.

Continue with what you're doing.

Continued education, trainings. Fully understand and implement suggestions made to internal functions within City Hall offered by third-party professionals. Reflect integrity to the community when it comes to public input and fiscal accountability

Substantially increase finance/accounting acumen among staff through training or staff acquisition.

Once Council establishes a strategic vision for Rockaway Beach begin work on a rolling five-year budget.

In communicating with our community, use all channels (Facebook, Web Site, and direct mail) to enhance the likelihood that community members are informed. Please over-communicate!

Identify all single threaded processes across City operations; prioritize by criticality, and modify the critical processes to ensure that there is backup should the primary person responsible for the process be absent.



**City of Rockaway Beach, Oregon**

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**To: Mayor Charles McNelly and the Rockaway Beach City Council**

**From: Luke Shepard, City Manager**

**Subject: 2023 Executive Memorandum**

December 6, 2023

Mayor and Council Members,

What a productive and transformative year 2023 has been! I'm proud of what our city team, governing body, planning commission, consultants, and community members have been able to accomplish over the past twelve months. In my more than 16 years with the City, I've never been prouder to be a part of our team. We have an incredible group, and their efforts make all that follows possible.

Over the last twelve months, the City has taken decisive and positive steps on a wide range of issues including the City's work toward improving its fiscal health, increasing community engagement, expanding community development and housing efforts, creating policy updates, improving billing procedures and upgrading software, meeting room and technology improvements, enlarging human resource services, upgrading public facilities, completing capital improvement projects and planning for more, enhancing watershed protection, strengthening emergency preparedness, and closure on longstanding litigation. For your convenience, I've attempted to summarize these activities below in greater detail.

Thank you for the opportunity to serve as the Rockaway Beach City Manager. I look forward to continuing this positive work into the future.

Fiscal Health

While many cities and counties face growing budgetary shortfalls, the Rockaway Beach staff is currently working to introduce a new Budget Stabilization Fund (Rainy Day Fund) into the City's next annual budget. Our latest financial audit showed that once again, total revenues outpaced expenditures by a wide margin. Tracking a city's net position usually gives a good indication of its overall financial health. The City of Rockaway Beach's net position has increased by more than \$7 million since 2019, with the largest increase of over \$3 million occurring this past 22/23 budget year.

The City budget was tested twice this year, once for the \$25,000 cost of major storm damage repairs to the Boardwalk and again to cover a \$116,000 negotiated settlement

agreement stemming from a longstanding legal battle. On both occasions the City had the foresight to budget for such contingences and was able to make timely budget allocations quickly, without the need to cut funding from other programs.

The City's budget continued to be impacted by the increase in service level demands generated by the growing popularity of short-term rentals. However, through a staffing grant, volunteer incentives and an increase in the short-term rental license fee, we managed to make it through another summer.

Several major land-use issues surfaced this year that could have impacted the City's finances. These included direct and/or potential legal costs resulting from the subdivision application process, FEMA flood insurance program mandates, State planning initiatives, rising consulting fees, etc. In response, the City's Community Development program was restructured, and land-use funding grants secured. These actions resulted in overall cost savings to the City of approximately \$125,000 this year, while vastly improving in-house land-use planning capabilities and service level.

Another budgetary focus this year was planning for future capital purchases. Plans such as the Fire Department Mobile Equipment Replacement Schedule, Fire Department Capital Replacement Plan and the Public Works Mobile Equipment Plan have already been developed and approved. A five-year Roads Improvement Plan and Flood Feasibility Study are underway. Updates to the 20-year Water System and Wastewater System Capital Improvement Plans are set to begin in January. With these capital improvement and equipment purchase schedules in place, the City can continue to plan and prioritize its capital outlay through multiple budget years. This year saw the fruits of such planning with the purchase of a new \$1.1 million ladder truck for our Fire Department.

New grant awards and funding from previously awarded grants also played a role in the City's financial success this year.

- The American Recovery Act award of \$314,000 allowed the completion of the Third Ave. Reservoir Rehabilitation Project.
- The previous award of \$750,000 through Oregon Department of Transportation's (ODOT) Community Paths Program will fund work by Alta Planning to finalize predesign work for the Salmonberry Trail and potentially open the door to millions of dollars in additional funding awards for the trail's construction.
- The Fire Department utilized \$30,000 in Oregon State Fire Marshal Wildland Fire Staffing Grant funds to hire two additional Firefighters this summer at no cost to the City.
- A grant award from the Department of Land Conservation and Development (DLCD) of approximately \$75,000 will allow Cascadia Partners Inc. to facilitate Zoning Code and Comprehensive Plan updates required by the passage of Oregon Senate Bill 406.
- The Roads and Street Department was awarded ODOT's Small City Allotment Grant in the amount \$250,000 (the grant award maximum) for a future year paving project on N. Pacific St.

- The Department of Environmental Quality's award of \$50,000 will fund the development of a Sourcewater Protection Plan.
- A \$75,000 grant award from Tillamook Coast Visitors Association for the Anchor St. Project is anticipated in early 2024.
- An application of \$435,000 was submitted through the Oregon Parks and Recreation Department for new restrooms at Lake Lytle Park.
- Additionally, the Oregon Marine Board and Tillamook Visitors Association may provide a combined \$150,000 towards new kayak launches and docks at Lake Lytle.
- And lastly, a general use planning grant of \$2,000 will be used to cover the cost of codifying this City's Zoning and Subdivision Ordinances.

### Community/Business Engagement and Support

This year saw the return of the quarterly newsletter and the introduction of the monthly (weekday) and quarterly (weekend) Coffee with the Mayor and Manager meetings. These informal meetings allow for resident-led information exchange between citizens, staff and elected officials. Sign-in sheets and meeting summaries of each month's meetings are included in the Council meeting packets and are available for anyone interested.

A number of public gatherings were held to facilitate the planning of public projects. The Lake Lytle Park planning session was a fun and well attended event. This event was preceded by the City's first online public survey. The City coordinated with Destination Management Advisors to host a series of public gatherings and stakeholder meetings to gather feedback, support and consensus on the Salmonberry Trail segment planned for Rockaway Beach.

The Tillamook Coast Visitors Association (TVCA) hosted three community workshops as they pieced together a city-wide Destination Management Plan. TVCA provided these services free of charge. A citizen survey, focused on desired tourism facilities, will soon follow. Online comment portals were also introduced for the Anchor St. Playground, the Roads Capital Improvement Plan, and the Lake Lytle tentative subdivision application.

City sponsored grant programs aimed to benefit community non-profits, volunteer groups and the business community were prioritized this year. A record \$60,000 has been set aside to fund eligible community groups through its Community Grant Program. The Rockaway Writers Rendezvous, Friends of the Library, Rockaway Beach Volunteers and Meals for Seniors Inc. have already been awarded funding this year.

A new \$250,000 Business Façade Improvement grant program was introduced this year. With this new program, business owners can apply for up to \$20,000 to make repairs or improvements to their building exteriors, without the need to find matching funds. Businesses can also take advantage of the City's \$35,000 marketing grant program.

Technology upgrades were completed for the council chamber and conference meeting rooms. In addition to livestream and same-night replay capabilities, the public and other guests can now participate in our meetings remotely. Visual and audio qualities are much improved as well. On the same note, our billing and utility payment system has been modernized to allow for more detailed billing statements, usage history, online features, and a paperless option. The

new system allows for additional notices and city information to be included along with the utility bill.

This year also marked the return of the annual State of City Address by the City of Rockaway Beach Mayor. This event was well received, helped to inform, and engage our community, and brought us closer together.

### Community Development

2023 was a big year for Community Development. The City restructured its planning team, terminated its outsourced planning contract, and recruited a talented City Planner to move these tasks in-house. The City now operates with a highly capable and service-friendly planning team ready to move the City forward.

The City of Rockaway Beach was awarded a Housing Assistance Grant from the Department of Land Conservation and Development to assist the City with meeting the requirements of Senate Bill 406, which requires all of the municipalities in Tillamook County to make room for middle housing in all residential zones. The City will be working with Cascadia Partners Inc. to make the required updates to our Zoning Code and Comprehensive Plan. This exciting work will allow us to deeply evaluate our current code, engage the community in conversations surrounding the type of middle housing that fits best within our community, and allow Rockaway Beach to do its part in addressing the severe housing shortage.

This past year the City approved an additional 13 new dwelling units and the Planning Commission successfully navigated an approval for the preliminary plat for an 85-lot subdivision with the potential to expand the Lake Lytle Estates neighborhood. The Planning team's careful and thoughtful approach to this approval led to the inclusion of 49 conditions of approval.

### Human Resources

The City continues to build and maintain a positive and motivated workforce, while discreetly and professionally handling sometimes difficult human resource issues. The City's Planning Technician position was eliminated this year, and the land-use services contract with 3J Consulting was terminated. While many cities struggle with recruitment, Rockaway Beach is now a sought-after employer. Our City successfully recruited and retained top talent this year. The City successfully recruited a City Recorder, City Planner, an experienced Treatment Plant Operator and Fire Department Captain. The Fire Department was also successful in filling two full-time, paid firefighter positions this summer. The City's workforce is much stronger and more capable than it was just six months ago.

The long-anticipated contract negotiation with the City's union affiliated employees was completed. The City's team successfully negotiated and ratified a collective bargaining agreement (CBA) covering the city's ten AFSCME represented union members. Additionally, the CBA and City Personnel Policy were brought into compliance with the new Paid Leave Oregon Act.

A new city-wide training program through City County Insurance Services (CIS) is underway. This program allows supervisors to assign and track employee training both online and through in-person instruction. This program also allows our elected officials access to free training offered by CIS, including any newly required training. The City encourages training and career development for all of its employees. Rockaway Beach has one of the highest certification rates for its Public Works and Fire Department employees.

Additionally, staff members are encouraged to join regional boards and committees related to their role with the City. These include but are not limited to: Tillamook County Fire Defense Board, Oregon Association of Municipal Recorders, Oregon Association of Water and Wastewater Utilities, Oregon Municipal Finance Officers Association, Tillamook County Transportation District Board, Tillamook Coast Visitors Association Board, Oregon Planners Network, the Oregon Association of City and County Managers and the League of Oregon Cities.

### Policy Action

This year, huge strides were made in the governing body's deliberation and decision-making process. Efforts were made to maximize the effectiveness of City Council Workshop meetings to allow for preliminary decisions by the City Council on future action items. Training of key staff and elected officials on Oregon's Public Meetings Law was carried out. Most important, however, was the adoption of Ordinance No. 23-444 and Resolution No. 23-995, which codified an easily amendable framework for clear and efficient rules governing City Council meetings. In recent years, the City Council has been hampered by an outdated and inconsistent set of meeting rules.

It would be difficult to overstate the positive impact of these actions. When combined with the addition of an experienced City Recorder and an engaged Mayor, these actions served to empower the City's Governing Body. Since implementation, we've seen a significant upswing in policy decisions by the City Council. The City is currently on track to see the passage of nearly 40 Resolutions in 2023. There are certainly far too many to cover in any detail in this letter. I've included a list of those adopted through November 2023 in Table 1 below. This table summarizes a significant amount of work by our team. I ask that you please spend a few minutes to read through the table. In comparison, last year the City Council adopted five resolutions.

Table 1. Adopted City Council Resolutions Through November 8, 2023

<b>Resolution</b>	<b>Title</b>	<b>Adopted</b>
23-978	Contingency Transfer Court Settlement	1/11/2023
23-279	Approving Contract with 3J for conducting Housing Needs Analysis	1/11/2023
23-980	Contingency Transfer Boardwalk Repairs	2/8/2023
23-981	Salmonberry Trail Project Management	2/8/2023
23-982	MOU with OSCR for Crossing Improvements	2/8/2023
23-983	Approve Collective Bargaining Agreement Between City and AFSCME	3/8/2023
23-985	Authorizing Option to Purchase Real Property (High Grounds)	3/8/2023
23-986	Amending License Fees for STRs	6/14/2023
23-987	TCSO IGA	5/10/2023



23-988	Adopting 2023-2024 Fiscal Year Budget	5/10/2023
23-989	Authorizing Mayor and City Manager to Execute Contract Anchor St 1st Ave Restroom Project	6/14/2023
23-990	Approving Wayside Use Application for Pirate Festival	6/14/2023
23-991	Recommending Liquor License Approval for New Business Tie Breaker	6/14/2023
23-992	Adopting Fire Dept Mobile Equip. Replacement Plan & Equip. Acquisition Plan	6/14/2023
23-993	State Revenue Sharing	5/10/2023
23-994	Approving Procurement of Anchor Street Park & Wayside Park Restrooms	6/14/2023
23-995	Adopting Council Meeting Rules and Procedures	7/12/2023
23-996	Adopting Public Records Request Policy	10/11/2023
23-997	Approving Stormwater Flooding Feasibility Study Proposal from HBH	7/12/2023
23-998	Adopting PW Mobile Equipment Plan	7/12/2023
23-999	Adopting Community Path Design Memorandum	8/9/2023
23-1000	Reappointing Budget Committee Members	7/12/2023
23-1001	Approving a Proposal from HBH Consulting Engineers for a Street Capital Improvement Plan	8/9/2023
23-1002	Adopting Paid Leave Oregon Policy	8/9/2023
23-1003	Approving Fire Apparatus Lease Purchase Agreement	9/13/2023
23-1004	Awarding Community Grants for 2023	9/13/2023
23-1005	Approving MOU with Jetty Creek Working Group	9/13/2023
23-1006	Approving a Lease Agreement with County for Lake Lytle	9/13/2023
23-1007	Authorizing Abatement of Nuisance by City at 603 S. Easy St	Paused
23-1008	Approving a Lease Agreement with NKNSD Tennis Court	9/13/2023
23-1009	Approving Anchor Street Playground Procurement	11/8/2023
23-1010	Approving Public Records Request Fees	10/11/2023
23-1011	Approving Additional 2023 Community Grant	11/8/2023
23-1012	Approving PSA with Fiorelli Consulting for High-Ground Project	11/8/2023

### Capital Projects

A top priority this year was to invest back into our city through development or improvement of public use facilities, infrastructure and, recently, acquisition of the Jetty Creek Watershed.

- Nedonna Beach Watermain Replacement Project. This \$2.8 million project is now shovel ready. An application for funding assistance has been submitted through Business Oregon. This project is now eligible for funding of up to \$1.8 million in forgivable loans, and \$2 million in low interest rate loans through the State of Oregon. Work on a final funding package will begin in December 2023. Construction will commence upon approval of the final financing package and contract award.
- Replacement of the Wayside Restrooms. The City purchased the new six-unit restroom from Romtec Inc. Installation will be coordinated by Knife River Construction as part of

their work on the Anchor St. Project. The restrooms are scheduled for completion in early spring 2024.

- Wayside Beach Access Improvements. Design work has been completed for the replacement project of the wayside beach access point and is now undergoing a permit review by the Oregon Parks and Recreation Department. The project will include the installation of both ramp and stair access, as well as other site improvements to improve accessibility. At an estimated construction cost of \$230,000, the project could be completed as early as summer 2024.
- Rockaway Beach Community Center. The Center was given a complete exterior remodel including a new roof, cedar siding, windows, doors, gutters, and access ramp.
- Signage. New gateway signs, wayside kiosks and other wayfinding signage were installed throughout the City. This \$240,000 project was implemented through funds from Tillamook County transient lodging tax receipts and facilitated by Tillamook Coast Visitors Association.
- Tennis & Pickleball Courts. A new one-year lease was signed with the Neah-Kah-Nie School District for operational control of their tennis courts. The tennis courts now have new striping to accommodate both tennis and pickle ball, as well as two new benches.
- Lake Lytle. The City approved a lease for operational control of Lake Lytle Park effective July 1, 2024. Last year, the City held listening sessions, workshops, and online surveys to gather feedback from the community regarding the improvements they would like to see at Lake Lytle. Residents were able to participate through an online survey and/or by attending an Open House. A \$435,000 grant application was submitted to the Oregon Parks and Recreation Department for the installation of new restrooms and required utilities. Work with the Oregon Marine Board and the Tillamook Coast Visitors Association is underway for new in-water amenities.
- Scenic View Booster Station Installed. A new water pressure booster system has been installed in the Scenic view area. This facility will ensure minimum water pressure is met for homes in the area. The State of Oregon Health Authority recently issued approval of the facility. Pumping equipment and distribution system improvements at the site are now complete. The system will be brought online once the emergency power switching equipment is installed.
- Jetty Creek Watershed. The City Council recently prioritized the acquisition of the Jetty Creek Watershed. Staff developed a multi-prong approach for this sizable and long-term project. The City partnered with local and regional conservation groups and landowners to form the Jetty Creek Working group. This group will serve to support the work of the City throughout the process. A grant will fund the work needed to develop a state approved Sourcewater Protection Plan and a Development Committee will be set up to observe and provide feedback on this work.
- Railroad Crossing Improvements. The railroad crossing on South First Ave. was improved this spring. This work was accomplished through a Memorandum of Understanding with the Oregon Coast Scenic Railroad. At a cost of approximately \$30,000 this project was a great example of cooperation between local entities to facilitate needed public improvements.

- Water & Wastewater Capital Improvement Plans. Updates to the City's Water Capital Improvement Plan and Wastewater Capital Improvement Plan will begin soon. These updated capital plans will allow for the development of new System Development Charge (SDC) methodologies. With these plans in place, the City will have the data needed to review the SDC fees paid by new developments that impact our water and sewer system. The current SDC rates have remained unchanged since 2009.
- Streets Capital Improvement Plan. HBH Consulting Engineers was contracted to develop a Streets 5-Year Capital Improvement Plan. This plan will prioritize street repair projects for the next five years. A draft plan has been presented and is currently under review and open for public comment. A final plan will be completed and used for budget planning in the 2024/25 fiscal year.
- Storm Feasibility Study. HBH Consulting Engineers Inc. was also contracted to produce a Storm Feasibility Study. This study will evaluate the repetitive flooding in the downtown area and make recommendations to mitigate the problem. This plan will also include cost estimates for all recommendations. A draft is complete and undergoing internal review by the City Engineer.
- Water Infrastructure. An underground water system Pressure Maintaining Assembly on Nehalem Ave. This equipment helped to maintain water pressure and significantly increased fire hydrant flow rates in the southern section of our water system.
- Salmonberry Trail. Destination Management Advisors carried out public engagement and information gathering to complete pre-planning work for the Rockaway Beach section of the Salmonberry Trail. The City and ODOT are now finalizing the scope of work for the technical planning required for the City to apply for funding for the final design and construction of the trail. Alta Planning has been awarded the contract by ODOT for this planning work, which is set to begin in January 2024.
- Anchor Street. A contract for construction of the Anchor Street Project has been awarded and the notice to proceed issued. Groundbreaking is scheduled for December 2023 and is to be completed by early summer 2024. This project will see the installation of a new restroom facility, two new playgrounds, event space, and parking for 43 vehicles.
- City Hall. A reader board for City Hall is under design by Ramsey Signs and will be funded through Tillamook Coast Visitors Association.

#### Emergency Service and Preparedness

The Fire Department had another great year. This included the addition of a Fire Captain, two paid summer firefighters, acquisition of a vehicle fire training prop and the purchase of a new ladder truck. This \$1.1 million ladder truck has an expected delivery date of December 2024, and will vastly improve our city's ability to meet the emergency needs of our growing city.

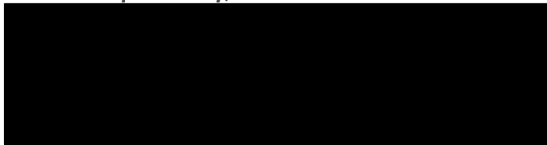
The Emergency Preparedness Group remains active and there is renewed interest in reforming the Community Emergency Response Team (CERT) team. An update to the Tillamook County Natural Hazard Mitigation Plan is complete and working its way through State and County approvals. The City's work on this plan ensures its eligibility for state and federal grants.

In November, the City contracted with Fiorelli Consulting for grant and project management services on the High Ground project. This is a multiyear project that aims to relocate the Fire Department and Public Works facilities out of the inundation zone. A robust public engagement plan is being prepared for a summer 2024 roll-out.

Our City staff continues to do an incredible job for Rockaway Beach. We are lucky to have such an amazing, hard-working and talented group of public servants that provide public safety and essential services to our community. I cannot say enough about their diligence in managing City services to keep our roads maintained, respond to emergencies, deliver safe water to your tap, treatment of our wastewater, planning for orderly development and construction, and providing and maintaining safe recreational facilities for our community.

Again, I'm proud of what our city team, governing body, planning commission, consultants, and community members have been able to accomplish over the past twelve months. We have an incredible team, and their efforts made all this possible. It's an honor to serve this community as its City Manager, and I look forward to continuing our work into the future.

Respectfully,



Luke Shapard  
City Manager, Rockaway Beach