

# CITY MANAGER WEEKLY UPDATE REPORT ~ KENT MYERS

August 12, 2011

Today's City Manager Coffee went very well with a number of issues and concerns raised by local residents. This included an increasing problem with transients along Peabody Creek adjacent to one of our local neighborhoods. Next Friday the resident will be providing a tour of this area and we will be joined by several other city staff members that can assist in resolving these problems. Other topics discussed included the Lauridsen Boulevard Bridge project and future plans for Ediz Hook. It was also requested that enough bike racks are added to the waterfront improvements that will get underway next year. There was also a lot of interest expressed in the new ACHIEVE community wellness program and several residents expressed an interest in getting involved in this effort.

On August 30 there will be a Special City Council meeting devoted to the 2012 Budget. We plan on providing the opportunity for public input at the beginning of the meeting. This input is very important at this early stage in the budget process particularly since it was decided not to conduct another comprehensive citizen survey again this year. We also plan on discussing the program scoring for the budgeting for priorities process and will be seeking City Council's participation in this scoring for funding outside organizations.

Needless to say, the budget process will be very challenging and many difficult decisions will need to be made prior to balancing the 2012 budget. For example, preliminary cost increases for health insurance, fuel and other items will need to be added to the proposed 2012 budget. Preliminary revenue projections for next year have been prepared which include decreases in grant revenues and interest income. Currently we are about \$900,000 over the 2012 budget in the General Fund. So the budgeting for priorities process is very timely as it will assist in prioritizing programs that will have to be reduced, or perhaps eliminated from the budget.

This week City staff met with the staff from Nippon to discuss their \$72 million biomass expansion project. The purpose of this meeting was to review the City's permitting and inspection requirements so that we can help facilitate this major economic development project. Nippon has applied for their first permit for the truck loading area. Over the next 60 days we expect large packages of plans for the remainder of the permits including an expansion of their office building, mechanical, and structural improvements. They have set a goal to be completed with the biomass project by January 1, 2013. This week I also had the opportunity to meet with the new president of Nippon Paper Group, Yuji Sato, and he is anxious to get involved in our community including participation in our Sister City program.

Councilmember Downie, Nathan West, and I attended a meeting this week to discuss future potential for attracting cruise ships to our community. This meeting also included representatives from the Port Angeles Downtown Association, Chamber, Port, and Olympic Tourism Commission. Next year we have two cruise ships that are already committed to stop here with the potential for at least 6 to 8 ships a year in the future. In order to ensure that the visitors from these ships are properly welcomed to our community, it takes a major volunteer effort. The local group is meeting with officials from Astoria, Oregon, to see how they accommodate cruise ship visitors. In the coming months we want to determine whether to expand plans in order to make this a focal point of our local economic development efforts.

**- Kent Myers**