

MINUTES OF THE REEDSPORT CITY COUNCIL REGULAR SESSION JUNE 6, 2011 7:00 P.M. CITY HALL COUNCIL CHAMBERS.

PRESENT: (Mayor, Keith Tymchuk was absent)
Councilors Ginger Anderson, Diane Essig, Mike Macho, Bill Otis,
Bill Walker, and Kathi Wall-Meyer
City Manager, Scott Somers
City Attorney, Steve Miller

OTHERS PRESENT: Vera Koch, Deanna Schafer, Megan Jacquot, Roberta Brazille,
DeeDee Murphy, Joe Coyne, Debbie McKinney, Lori Newman

1. CALL TO ORDER/PLEDGE OF ALLEGIANCE
2. CITIZEN COMMENTS
This time is reserved for citizens to comment on items that are not on the Agenda. Maximum of five minutes per item, please.
3. PRESENTATIONS, PROCLAMATIONS, AWARDS
 - A. Receive annual Chamber of Commerce advertising report.

This item was postponed to the July 11, 2011 Council meeting.

4. APPROVAL OF THE AGENDA

City Manager Scott Somers said that the agenda needs to be amended to add an Urban Renewal Agency Meeting immediately following the regular Council meeting prior to the Executive Session of the City Council.

Councilor Diane Essig motioned to approve the agenda as amended.

Councilor Kathi Wall-Meyer seconded the motion.

MOTION:

that the City Council approve the Agenda as amended.

VOTE:

A vote was taken on the motion with the following results:

AYES 6 NAYES 0

(Councilors Anderson, Essig, Otis, Macho, Walker, and Wall-Meyer voted in favor of the motion.)

Council President Ginger Anderson declared the motion passed unanimously.

5. PUBLIC HEARINGS

A. Public Hearing to adopt municipal operating budget for Fiscal year 2011/2012.

Council President Ginger Anderson opened the public hearing at 7:06pm.

Finance Director Vera Koch said that at the regular Budget Committee meeting of April 25th, the Reedsport City Budget Committee approved a budget totaling \$13,935,085 for Fiscal Year 2011 / 2012. The Budget Committee approved the permanent levy rate of \$6.1882 per \$1,000 of assessed valuation.

A summary of this approved budget and a notice of the public hearing to consider the budget were published in the Umpqua Post, the City's newspaper of record on, May 18, 2011.

A public hearing is being held for the Council to consider final adoption of the budget for fiscal year 2011 / 2012. State statute requires that a budget be adopted before June 30th of each year. Additional meetings can be scheduled if the Council wishes to consider any additional information.

Changes can be made to the budget as approved by the Budget Committee on April 25, 2011. Such changes are allowed per ORS. 294.435 with certain limitations. The following changes are allowed without republishing the budget:

- Governing body can increase expenditures of any fund up to \$5,000 or 10%, whichever is greater;
- Governing body can reduce expenditures of any fund;
- Governing body can adjust other resources.

No additional revenues sources have been identified; it is very likely budget reductions in revenues received from the State of Oregon will be addressed in the new fiscal year.

There were no public comments.

Public hearing was closed at 7:12pm.

Council President Ginger Anderson stated for the public that there will be a Special Meeting of the City Council to vote on the proposed budget on June 13th, 2011 at 6:00pm.

6. CONSENT AGENDA

Routine items of business that require a vote but are not expected to require discussion by the Council are placed on the Consent Calendar and voted upon as one item. In the event that a Councilor or citizen requests that an item be discussed, it will be removed from the Consent Calendar and placed under General Business.

- A. Approve minutes of the work session of May 2, 2011.
- B. Approve minutes of the regular session of May 2, 2011.
- C. Shall the City Council adopt a Resolution applying for a Small City Allotment grant and assign 2011-008 as the title?

The Oregon Department of Transportation (ODOT) administers the Small Cities allotment (SCA) program wherein cities under 5,000 populations are allocated up to \$50,000 on a competitive basis for street repair or reconstruction. Projects are scored on the basis of traffic volume, surface condition, population growth, and years since last project. In the past, Reedsport received SCA funding for Frontage Road, 16th and Hawthorne Avenue, the 10th Street Rehabilitation project, Longwood Drive, Ranch Road, 14th Street and most recently Winchester Avenue sidewalks at the Rail Road crossing to be constructed this summer.

During this round the City is applying for repaving of Bowman Road, its entire length from Longwood to Arthur Drive. Total project cost is \$106,100.

A proposed Resolution has been drafted, requesting funds for repaving Bowman Road. This resolution is required in order to qualify for the award of an Allotment under the SCA program. If the City were to be awarded this allotment, it is anticipated that the project would be accomplished in the summer of 2012.

It is recommended that the Council adopt a Resolution designating a Small Cities Allotment Project for 2012, requesting funds for the repaving of Bowman Road.; and that Resolution 2011-009 is assigned as the title.

The estimated project cost for repaving Bowman Road is \$106,100, if the City receives the Small Cities Allotment of \$50,000. The City of Reedsport share would be \$56,100.

*Adopt a Resolution designating a Small Cities Allotment Project for 2012, requesting funds for repaving Bowman Road.; and that Resolution 2011-008 is assigned as the title.

- D. Shall the City Council exercise the first of three options to renew a personal services contract for planning services?

At the July 12, 2010 City Council meeting, the Council awarded a personal services contract for planning services to Melissa Anderson. The term of the contract was for one year with three (3) one (1) year renewal options. Ms. Anderson has expressed interest in exercising the first of the three options to renew the contract.

Melissa Anderson has been working for the City of Reedsport for over two years. Based on budget allowances, Melissa has worked approximately two (2) days per week at City Hall. During this time, she has provided office hours for citizens and customers, prepared staff reports for Planning Commissioners, prepared agenda items for both the Planning Commission and City Council, provided planning assistance to staff, drafted and managed planning grants, including those submitted to the Department of Land and Conservation and Development (DLCD) and participated in both the Rainbow Plaza and Downtown/Riverfront Redevelopment community and stakeholder meetings. Those that have worked with Melissa, including Planning Commissioners Tietzel and Vanderkley have stated that she's extremely knowledgeable and is an asset to Reedsport.

Based on the FY 2011-12 Budget, costs for Planning Services may not exceed \$26,095 from the Planning Budget and \$13,000 from the Urban Renewal District Budget. In order to stay within budget, Anderson must provide, on average, no more than seventeen (17) hours of work per week to the City of Reedsport for planning services.

*Exercise the first of three options to renew a personal services contract for planning services.

E. Motion to approve the Consent Calendar.

Councilor Mike Macho motioned to approve the Consent Calendar.

Councilor Bill Walker seconded the motion.

MOTION:

that the City Council approve the Consent Calendar.

VOTE:

A vote was taken on the motion with the following results:

AYES 6 NAYES 0

(Councilors Anderson, Essig, Macho, Otis, Walker, and Wall-Meyer voted in favor of the motion.)

Council President Ginger Anderson declared the motion passed unanimously.

7. GENERAL BUSINESS

A. Shall the City Council adopt an ordinance relating to explanatory statements for proposed measures initiated or referred by petition and assign 2011-1106 as the title?

City Recorder Deanna Schafer said that per Oregon Administrative Rules 165-022-0040 for any initiative or referendum by petition, an impartial, simple and understandable statement explaining the measure and its effect shall be submitted by the governing body of the local government only if the local government has an ordinance requiring the submission of such a statement.

An ordinance has been prepared that will allow the City to submit an explanatory statement for inclusion in said voters' pamphlet for any initiatives or referendums by petition.

Councilor Bill Walker motioned to adopt an ordinance relating to explanatory statements for proposed measures initiated or referred by petition and assign 2011-1106 as the title.

Councilor Mike Macho seconded the motion.

MOTION:

that the City Council adopt an ordinance relating to explanatory statements for proposed measures initiated or referred by petition and assign 2011-1106 as the title.

VOTE:

A vote was taken on the motion with the following results:

AYES 6 NAYES 0

(Councilors Anderson, Essig, Otis, Macho, Walker, and Wall-Meyer voted in favor of the motion.)

Council President Ginger Anderson declared the motion passed unanimously.

B. Shall the City Council award a personal services contract for a Municipal Court Judge?

City Manager Scott Somers said that in April 11, 2011, the City Council allowed for and heard public comment on standards, criteria and policy directives for a Municipal Court Judge. After allowing for and hearing public comment on the appointment of this public officer, the City Council unanimously directed the City Manager to draft an agreement and negotiate with the chosen judge candidate, Megan Jacquot.

Somers passed out an amended contract and said that he and City Attorney Steve Miller had made some last minute adjustments to the proposed contract relating to independent contractor status.

Highlights of the negotiated contract are as follows:

- Term: Five (5) year contract beginning on July 1, 2011 and ending on June 30, 2016.
- Compensation: \$325 per court day; \$50 for non-Tuesday arraignments.
- Duties: Regular arraignments, accepting pleas, conducting bench trials, presiding over jury trials, issuing warrants, reviewing probation reports, conducting probation violation hearings, and other normal duties of a municipal court judge acting in that capacity for municipal court.

It's anticipate that annual cost of this contact is approximately \$7,950, which is about \$7,730 less than the current municipal judge contract.

Ms. Megan L. Jacquot introduced herself and said that she looks forward to serving the City.

Councilor Mike Macho motioned to award a personal services contract for a Municipal Court Judge as amended.

Councilor Diane Essig seconded the motion.

MOTION:

that the City Council award a personal services contract for a Municipal Court Judge as amended.

VOTE:

A vote was taken on the motion with the following results:

AYES 5 NAYES 0 ABSTAIN 1

(Councilors, Essig, Otis, Macho, Walker, and Wall-Meyer voted in favor of the motion.)
(Councilor Anderson abstained from voting)

Council President Ginger Anderson declared the motion passed unanimously.

- C. Shall the City Council award a Fiscal Year 2011/2012 Contract for Worker's Compensation Insurance?

Ms. Debbie McKinney agent for Fullhart Insurance Agency, the Cities agent of record, said that the City annually awards a Worker's Compensation Insurance policy contract to an insurance company. The current policy, with SAIF Corporation, expires on June 30th. Each year Fullhart Insurance Agency, obtains bids for the City of Reedsport employee's Worker's Compensation

Insurance for the following year. Two insurance companies were solicited and both responded as follows:

SAIF Corporation	\$41,090	for projected 2011 / 2012 payroll
City County Insurance Services	\$50,685	for projected 2011 / 2012 payroll

The SAIF Corporation holds the current contract for Worker's Compensation insurance with the City.

The fiscal impact by choosing SAIF Corporation is a savings of \$9,595.

Councilor Mike Macho motioned to award a Fiscal Year 2011 / 012 contract for Worker's Compensation Insurance and authorize the Mayor to sign on behalf of the City.

Councilor Diane Essig seconded the motion.

MOTION:

that the City Council award a Fiscal Year 2011 / 012 contract for Worker's Compensation Insurance and authorize the Mayor to sign on behalf of the City.

VOTE:

A vote was taken on the motion with the following results:

AYES 6 NAYES 0

(Councilors Anderson, Essig, Otis, Macho, Walker, and Wall-Meyer voted in favor of the motion.)

Council President Ginger Anderson declared the motion passed unanimously.

- D. Shall the City Council award a Fiscal Year 2011/2012 Contract for Property Casualty and Automobile Insurance for the City?

Ms. Debbie McKinney said that the City annually awards a property, casualty, and automobile insurance policy contract to an insurance company. The current policy, with City Council Insurance Services, expires on June 30th. Each year Fullhart Insurance Agency, obtains bids for the City of Reedsport's commercial insurance needs for the following year. In the search of insurance companies only one insurance company was available. A proposal was received which includes the Dial A Ride program is as follows:

City County Insurance Services (CIS)	\$ 104,552
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At the regular Council meeting of March 5, 2001, the Council adopted Resolution 2001-009 establishing bonding procedures. Fullhart Insurance has included the bond under crime coverage in the City of Reedsport's commercial package policy. This bid includes the "Treasurer" position. The City Manager's job description requires a separate bonding policy be purchased for the City Manager. One proposal was received for this policy.

Old Republic

\$300.00

The City also annually awards a Business Travel Accident Insurance policy contract with an insurance company. The current policy, with Health Special Risk (HSR), Inc., expires on June 30th. Each year, Fullhart Insurance obtains bids for the City of Reedsport Business Travel Accident Insurance for the following year. At least one insurance company was solicited. One bid proposal was received which is summarized as follows:

Health Special Risk, Inc.

\$ 1,000

The City also annually awards a mandated underlying flood insurance policy for the Umpqua Discovery Center. The National Flood Services Company currently provides this insurance. Each year, Fullhart Insurance obtains the renewal for this insurance. The flood insurance policy annual policy provides coverage of \$500,000 on the building and \$500,000 on contents with a \$1,000 deductible.

National Flood Services

\$1,625

Councilor Bill Walker motioned to,

1. Award a Fiscal Year 2011 / 012 contract for the Commercial Package Policy to the City County Insurance Services in the amount of not to exceed **\$104,552** and authorize the Mayor, to sign on behalf of the City.

and,

2. Award a Fiscal Year 2011 / 012 contract for City Manager bonding policy to Old Republic in the amount of **\$300** and authorize the Mayor, to sign on behalf of the City.

and,

3. Award a Fiscal Year 2011 / 012 contract for Business Travel Accident insurance to Health Special Risk, Inc. in the amount of **\$1,000** and authorize the Mayor, to sign on behalf of the City

and,

4. Award a Fiscal Year 2011 / 012 contract for flood insurance for the Umpqua Discovery to National Flood Services in the amount of **\$1,625** and authorize the Mayor, to sign on behalf of the City.

Councilor Mike Macho seconded the motion.

MOTION:

that the City Council,

1. Award a Fiscal Year 2011 / 012 contract for the Commercial Package Policy to the City County Insurance Services in the amount of not to exceed **\$104,552** and authorize the Mayor, to sign on behalf of the City.

and,

2. Award a Fiscal Year 2011 / 012 contract for City Manager bonding policy to Old Republic in the amount of **\$300** and authorize the Mayor, to sign on behalf of the City.

and,

3. Award a Fiscal Year 2011 / 012 contract for Business Travel Accident insurance to Health Special Risk, Inc. in the amount of **\$1,000** and authorize the Mayor, to sign on behalf of the City

and,

4. Award a Fiscal Year 2011 / 012 contract for flood insurance for the Umpqua Discovery to National Flood Services in the amount of **\$1,625** and authorize the Mayor, to sign on behalf of the City.

VOTE:

A vote was taken on the motion with the following results:

AYES 6 NAYES 0

(Councilors Anderson, Essig, Otis, Macho, Walker, and Wall-Meyer voted in favor of the motion.)

Council President Ginger Anderson declared the motion passed unanimously.

E. Shall the City Council adopt a Resolution authorizing a Supplemental Budget and Budget Revisions for Fiscal Year 2010 / 2011 and assign 2011-009 as the title?

Finance Director Vera Koch said that a Resolution has been drafted which provides for unforeseen changes in the form of a Supplemental Budget and budget revisions for fiscal year budget of 2010 / 2011.

The following information is provided regarding the recommended adjustments. These adjustments were not anticipated at the time of adopting the FY 2010 / 011 budget. None of the recommended adjustments increase the property tax levy.

This budget adjustment affects pages 52, 81, 95, 96, 100, 113, 133, of the current Adopted Budget for Fiscal Year 2010 / 011.

General Fund (001) change explanations:

- An intra fund change needs to be made between Contingency and Unemployment Insurance. Due to federal and state unemployment claim extensions, the City has received a greater number of claims than would normally be received. A transfer of \$7,000 needs to be made from Contingency to Unemployment Insurance, both line items in Non Departmental unit 110.
- An intra fund change needs to be made within the Police budget. The \$3,500 budgeted for capital vehicle expense will be moved to Materials & Services, automobile maintenance. This has been requested for additional maintenance on current vehicles.
- The Community Development Department has received a \$700 grant designated for Planning Commissioners training improvements. The Community Development Budget will be increased \$700; and revenue in the General Fund will be increased \$700.
- The Fire Department has received a \$6,800 grant as requested for radio improvements. The Fire Budget will be increased \$6,800; and revenue in the General Fund will be increased \$6,800.
- Equipment associated with the Crestview Radio Tower is being replaced after the lighting strike in February destroyed the equipment at that site. The replacement cost of \$15,000 has been partially offset by the settlement claim. The capital expenditure line item for the replacement cost needs to be increased by \$4,400 to \$15,000. Donations are expected from the other agencies utilizing the radio tower and equipment. The Fire Department budget will increase \$4,400 in capital improvements and the General Fund revenue will increase by \$4,400.
- An energy audit has been conducted at the Senior Center and cost for lighting upgrade was submitted for \$2,779. Energy rebates are estimated to be received for \$2,045. Senior Center Building Maintenance line item needs to be increased by \$2,045 and Misc. grants and donations revenue line item will be increased by \$2,045.

The total change to General Fund is an increase of \$13,945.

Proposed Line Item Changes to the Budget:

GENERAL FUND (#001)

Revenue:

Misc. Grants/ Donations (001-000-423660) page 52 is increased from \$10,500 to \$24,445, an increase of \$13,944.

Net change to General Fund Revenue increase of \$13,945.

Expenditures;

Community Development Department Unit (106)

Materials and Services;

Planning Commission Training (001-106-623540) page 81 is increased from \$500 to \$1,200, an increase of \$700.

Net Change to Community Development is an increase of \$700.

Non-Department Unit (110)

Personal Services;

Unemployment Insurance (001-110-531500) page 95 is increased from \$12,000 to \$19,000, an increase of \$7,000.

Net Change to Non-Department is an increase of \$7,000.

Contingency (001-110-941000) page 96 is decreased from \$119,000 to \$112,000, a decrease of \$7,000.

Net Change to Contingency is a decrease of \$7,000.

Police Department Unit (200)

Materials & Services;

Automobile Maintenance (001-200-617300) page 100 is increased from \$33,000 to \$36,500, an increase of \$3,500.

Capital Outlay;

Vehicles (001-220-725300) page 100 is decreased from \$3,500 to \$0.00, a decrease of \$3,500.

Net change to Police is zero.

Fire Department Unit (220)

Capital Outlay;

Building Improvements expenses (001-220-712500) page 113 is increased from \$10,500 to \$21,700, an increase of \$11,200.

Net change to Fire Dept. is an increase of \$11,200

Senior Center Department Unit (440)

Materials & Services;

Building Improvements expenses (001-440-612500) page 133 is increased from \$2,000 to \$4,045, an increase of \$2,045.

Net change to Senior Center is an increase of \$2,045.

The net change in the General Fund is an increase of \$13,945.

The total budget will be increased by \$13,945 with no change in property tax.

Councilor Mike Macho motioned to adopt a Resolution adopting a Supplemental Budget and Budget Revisions for Fiscal Year 2010 / 011; and assign Resolution 2011-009 as the title.

Councilor Diane Essig seconded the motion.

MOTION:

that the City Council adopt a Resolution adopting a Supplemental Budget and Budget Revisions for Fiscal Year 2010 / 011; and assign Resolution 2011-009 as the title.

VOTE:

A vote was taken on the motion with the following results:

AYES 6 NAYES 0

(Councilors Anderson, Essig, Otis, Macho, Walker, and Wall-Meyer voted in favor of the motion.)

Council President Ginger Anderson declared the motion passed unanimously.

- 8. MISCELLANEOUS ITEMS
(Mayor, Councilors, City Manager, City Attorney)

City Manager Scott Somers said that the City Council will be holding a special meeting on June 13, 2011 at 6:00pm to consider the proposed 2011/2012 budget document, Capital Improvement Plan and related items.

City Manager Scott Somers said that Pat Fahey, owner of Southern Oregon Sanitation called and told him to let the Council know that the days of operation at the County dump may change in the near future. Currently they are closed on Mondays and Tuesdays. In the future those days may change to Sundays and Mondays.

Break for Urban Renewal Agency meeting.

EXECUTIVE SESSION OF THE REEDSPORT CITY COUNCIL JUNE 6, 2010 CITY HALL COUNCIL CHAMBERS.

PRESENT: Councilors Ginger Anderson, Bill Otis, Mike Macho, Diane Essig, Kathi Wall-Meyer, and Bill Walker

City Manager Scott Somers

Attorney Steve Miller

OTHERS PRESENT: Deanna Schafer, Vera Koch

Pursuant to ORS 192.660(2)(d) – deliberations with persons designated by the governing body to carry on labor negotiations.

ADJOURN

Meeting was adjourned at 8:27pm.

Council President Ginger Anderson

ATTEST:

Deanna Schafer, City Recorder