

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

PRESENT:

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

OTHERS PRESENT:

Deanna Schafer, Vera Koch, Melissa Anderson, Chief Mark Fandrey, Diane Novak, Lee Bridge, Lorelyn Lorence, Laurie Poel, Carolyn Buck, Susan Martin, Deb Howland, Sue Cousineau, Teresa Cline, Bob Cline, Kay Stumpy, Cheryl Whalen, John Williams, William Stevens, Ida de Leon, Gloria Dale, Nadine Stevens, Coleen Laren, Flossie Taube, Jacque Potter, Roberta Brazell, Norman Keller, Blanch Keller, Calvin Rose, Norman Floyd, Denise Straws, Linn Barshaw, Robin Dollar, Tammy VanSyoc, Steve Luck, Jo Deiton, Donna Train, Jim Richardson, Mary Richardson, Barry Nelson, A Tresch, Jennifer McDuffy, Barbara Wall, Ruthanne Skinner, Susan Stevens, Joe Coyne, Gloria Ecmomon

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.*

There were no citizen comments

3. PRESENTATIONS, PROCLAMATIONS, AWARDS

~~A. Mr. Jeff Vanderkley presentation to the City of Reedsport.~~  
Presentation canceled.

Mayor Keith Tymchuk read three proclamations, one concerning the annual sale of Buddy Poppies by Veterans of Foreign Wars, one in appreciation of volunteers at the Cycle Oregon event, and another celebrating National Rural Health Day.

4. APPROVAL OF THE AGENDA

City Manager Scott Somers recommended to amend the agenda to close the regular session of the meeting after item 8, adjourn to a brief meeting of the Urban Renewal District Agency and

reconvene in executive session of the City Council immediately following. It is not anticipated that the meeting will need to be reopened into regular session.

Somers said that he would also ask to add an item to the executive session. Pursuant to 192.660 (2) (a) To consider the employment of a public officer, employee, staff member or individual agent.

Councilor Mike Macho motioned to approve the Agenda as amended.

Councilor Ginger Anderson 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 7 NAYES 0

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

Mayor Keith Tymchuk declared the motion passed unanimously.

5. PUBLIC HEARINGS

None

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 September 6, 2011.

B. Approve minutes of the regular session of September 6, 2011.

C. Motion to approve the Consent Calendar.

Councilor Mike Macho motioned to approve the Consent Calendar.

Councilor 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 7 NAYES 0

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

Mayor Keith Tymchuk declared the motion passed unanimously.

7. GENERAL BUSINESS

- A. Shall the City Council adopt a Resolution approving Douglas County Order to initiate formation of a County Library System Service District and assign 2011-018 as the title?

Finance Office Vera Koch introduced Ms. Diane Williams from the Douglas County Library System Futures Committee (Futures) and Save Our Libraries, a newly formed political action organization.

Koch presented the following information as background:

Douglas County has a pending loss of revenue from the safety net funding. Programs such as the library system are in jeopardy of losing funding for operations. The Futures committee is proposing a special district asking other governmental taxing entities to pass a resolution allowing the district formation.

She said that there is no automatic funding in place for the special district if the local governments pass the resolution, a tax base election will be on May 2012 general election for \$.50/\$1000 of assessed value.

Notes of interest to the Reedsport tax payers;

- with the library district in place \$12.50 will be the total tax base in Reedsport for government, excluding schools
- properties not in compression will pay additional property tax
- the library tax will generate approximately \$116,000 in additional tax revenue in Reedsport
- a \$200,000 home will pay an additional \$100 yearly in property tax
- the library tax will most likely create more properties into compression.
- the city compression for the 2011 tax year is at an all time high of \$64,000.
- an estimated additional tax compression with the library district in place will add approximately another \$16,111 for the City of Reedsport

- compression exists when the real market value and the maximum assessed value are the same or become very close in value
- if a property is in tax compression, only \$10 /1,000 of real market value will be collected for government uses, excluding schools
- all the taxing governments will have to share the tax revenue from the \$10/\$1,000.

If the Council does not pass the resolution approving the formation of the library system service district, the Reedsport citizens will not vote in May either passing or defeating the tax base.

Mayor Keith Tymchuk said that if the City Council opts out of allowing the formation of the library service district the City of Reedsport will almost certainly lose the local library.

Ms. Williams said that Futures group has been meeting for many years. Since the County began losing money from the federal forests, the libraries have reduced services. It has been feared that the County may close the libraries completely. Without the safety net money Douglas County will generate \$8.5 million in revenue and \$3 million in timber receipts. This \$11.5 million does not even cover public safety. The budget for public safety alone is approximately \$16 million. She said that if these funds do not come through, the County will not have enough money to fund libraries, the landfill, parks and recreation, and the museum. If this district is not formed our libraries will go away.

Several years ago the group began visiting libraries all over the state researching several options for continuing operations. A for-profit organization was consulted and they said that they did not have an interest in the system because they could not run it for the amount that is spent now.

She said that after a lot of discussion it was decided that in order to meet the goal of long-term, stable funding for the library system a library taxing district needed to be formed. She gave a brief overview of how the library system currently works.

Ms. Williams also noted that 52% of Douglas County is owned by the federal government which pays no taxes. She said that the reason this happened to Douglas County is that the Endangered Species Act was passed and cut down the amount of sustainable logging that could be accomplished. She said that Douglas County has one of the lowest tax rates in the State. The Douglas County Board of Commissioners will be the entity that determines the taxing rate applied. They have also unofficially said that if the safety net money comes through, money will be allocated towards the library so that the amount assessed could be lower.

Ms. Williams said that she is here tonight to ask the City Council to sign the Resolution to allow the formation of a county-wide library system service district to be put on the May, 2012 ballot for the voters to decide.

Ms. Williams fielded questions from the audience and Council.

Mayor Keith Tymchuk noted that there are a lot of people in the audience that have come to discuss the library issue. He said that in an interest of time he would seek a show of hands in support of adoption of the resolution and a show of hands opposing the adoption of the resolution.

The majority of the audience raised their hand. There were no hands raised in opposition.

Three members of the audience spoke in favor of the library.

Councilor Diane Essig motioned to adopt a resolution approving Douglas County Order to initiate formation of County Library System Service District and that Resolution 2011-018 is assigned as the title.

Councilor Bill Walker seconded the motion.

MOTION:

that the City Council adopt a resolution approving Douglas County Order to initiate formation of County Library System Service District and that Resolution 2011-018 is assigned as the title.

VOTE:

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

AYES 7 NAYES 0

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

Mayor Keith Tymchuk declared the motion passed unanimously.

B. Receive quarterly financial report.

Finance Director Vera Koch presented the following financial report:

**2011 / 2012 Financial Report** target % received/spent  
November 7, 2011 by end of 3rd month of  
budget year **25%**

**First Quarter of fiscal year 2011/2012**  
**For period ending SEPTEMBER 2011**

**General Fund 001**

	<b>Budget</b>	<b>Actual</b>	
<b>Beginning Fund Balance</b>	\$650,000	\$674,493	103.77%
<b>Revenue</b>	\$2,304,890	\$253,469	11.00% Received
<b>*Expenditures</b>	\$2,522,285	\$546,380	21.66% Expended

\*(less unappropriated expenditures)

**Street Fund 002**

	<b>Budget</b>	<b>Actual</b>	
<b>Beginning Fund Balance</b>	\$40,000	\$69,638	174.10%
<b>Revenue</b>	\$230,800	\$62,403	27.04% Received
<b>*Expenditures</b>	\$265,200	\$69,022	26.03% Expended

\*(less unappropriated expenditures)

**Water Utility Fund 003**

	<b>Budget</b>	<b>Actual</b>	
<b>Beginning Fund Balance</b>	\$75,000	\$72,152	96.20%
<b>Revenue</b>	\$842,850	\$220,165	26.12% Received
<b>*Expenditures</b>	\$904,570	\$208,417	23.04% Expended

\*(less unappropriated expenditures)

**Wastewater Utility 004**

	<b>Budget</b>	<b>Actual</b>	
<b>Beginning Fund Balance</b>	\$80,000	\$149,787	187.23%
<b>Revenue</b>	\$1,821,150	\$449,383	24.68% Received
<b>*Expenditures</b>	\$1,852,700	\$443,042	23.91% Expended

\*(less unappropriated expenditures)

**Stormwater Utility Fund 005**

	<b>Budget</b>	<b>Actual</b>	
<b>Beginning Fund Balance</b>	\$120,000	\$114,606	95.51%
<b>Revenue</b>	\$73,980	\$18,697	25.27% Received
<b>*Expenditures</b>	\$192,630	\$39,655	20.59% Expended

\*(less unappropriated expenditures)

**Bicycle/footpath Fund 007**

	<b>Budget</b>	<b>Actual</b>	
<b>Beginning Fund Balance</b>	\$30,400	\$30,514	100.38%
<b>Revenue</b>	\$1,900	\$579	30.47% Received
<b>*Expenditures</b>	\$32,300	\$0	0.00% Expended

**Water SPWF Loan Debt Fund 010**

	<b>Budget</b>	<b>Actual</b>	
<b>Beginning Fund Balance</b>	\$76,000	\$76,479	100.63%
<b>Revenue</b>	\$23,000	\$1,091	4.74% Received
<b>*Expenditures</b>	\$99,000	\$0	0.00% Expended

**Water Filtration Debt/Reserve Fund 011**

	<b>Budget</b>	<b>Actual</b>	
<b>Beginning Fund Balance</b>	\$8,600	\$10,933	127.13%
<b>Revenue</b>	\$127,525	\$49,045	38.46% Received
<b>*Expenditures</b>	\$127,500	\$119,904	94.04% Expended

\*(less unappropriated expenditures)

**Wastewater DEQ Loan Debt Fund 012**

	<b>Budget</b>	<b>Actual</b>	
<b>Beginning Fund Balance</b>	470,000	567,406	120.72%
<b>Revenue</b>	\$924,600	\$231,903	25.08% Received
<b>*Expenditures</b>	\$930,270	\$0	0.00% Expended

\*(less unappropriated expenditures)

**Wastewater OECD Loan Debt Fund 013**

	<b>Budget</b>	<b>Actual</b>	
<b>Beginning Fund Balance</b>	99,800.00	99,980.00	0.00%
<b>Revenue</b>	\$105,100	\$26,378	25.10% Received
<b>*Expenditures</b>	\$154,250	\$0	0.00% Expended
*(less unappropriated expenditures)			

**Fire Equipment Fund 014**

	<b>Budget</b>	<b>Actual</b>	
<b>Beginning Fund Balance</b>	\$45,000	\$50,888	113.08%
<b>Revenue</b>	\$30,600	\$5,787	18.91% Received
<b>*Expenditures</b>	\$75,600	\$6,526	8.63% Expended
*(less unappropriated expenditures)			

**Dunes NRA Fund 016**

	<b>Budget</b>	<b>Actual</b>	
<b>Beginning Fund Balance</b>	\$40,000	\$47,510	118.78%
<b>Revenue</b>	\$93,600	\$23,978	25.62% Received
<b>*Expenditures</b>	\$133,600	\$19,371	14.50% Expended
*(less unappropriated expenditures)			

**Riverfront Fund 017**

	<b>Budget</b>	<b>Actual</b>	
<b>Beginning Fund Balance</b>			
<b>Revenue</b>	\$35,500	\$47,828	134.73%
<b>*Expenditures</b>	\$137,320	\$37,256	27.13% Received
	\$168,070	\$32,364	19.26% Expended

**Library Renovation Fund 018**

	<b>Budget</b>	<b>Actual</b>	
<b>Beginning Fund Balance</b>			
<b>Revenue</b>	\$120,000	\$122,604	102.17%
<b>*Expenditures</b>	\$152,100	\$344	0.23% Received
	\$272,100	\$0	0.00% Expended

**Sys. Development Fund Water 020**

	<b>Budget</b>	<b>Actual</b>	
<b>Beginning Fund Balance</b>			
<b>Revenue</b>	\$60,400	\$52,455	86.85%
<b>*Expenditures</b>	\$8,760	\$4,397	50.19% Received
<b>Sys. Development Fund Wastewater 021</b>	\$69,160	\$0	0.00% Expended

**Beginning Fund Balance Revenue**

	<b>Budget</b>	<b>Actual</b>	
<b>Revenue</b>	\$126,775	\$127,022	100.19%
<b>*Expenditures</b>	\$4,050	\$4,138	102.17% Received
	\$130,825	\$0	0.00% Expended

**System Development Fund Stormwater 022**

	<b>Budget</b>	<b>Actual</b>	
<b>Beginning Fund Balance</b>			
<b>Revenue</b>	\$5,100	\$5,116	100.31%

<b>*Expenditures</b>	\$895	\$884	98.77% Received
	\$5,995	\$0	0.00% Expended

**Enterprise Cap. Improve.  
Fund -Sewer 024**

<b>Beginning Fund Balance</b>	<b>Budget</b>	<b>Actual</b>	
<b>Revenue</b>	\$900,000	\$1,102,516	122.50%
<b>*Expenditures</b>	\$11,000	\$3,705	33.68% Received
	\$911,000	\$53,976	5.92% Expended

**General Capital Improve.  
Fund 025**

<b>Beginning Fund Balance</b>	<b>Budget</b>	<b>Actual</b>	
<b>Revenue</b>	\$150,000	\$155,912	103.94%
<b>*Expenditures</b>	\$144,240	\$28,229	19.57% Received
*(less unappropriated expenditures)	\$250,615	\$0	0.00% Expended

**Street Capital Fund 026**

<b>Beginning Fund Balance</b>	<b>Budget</b>	<b>Actual</b>	
<b>Revenue</b>	\$192,000	\$192,424	100.22%
<b>*Expenditures</b>	\$52,285	\$13,261	25.36% Received
*(less unappropriated expenditures)	\$244,285	\$0	0.00% Expended

**Storm Capital Fund 027**

<b>Beginning Fund Balance</b>	<b>Budget</b>	<b>Actual</b>	
<b>Revenue</b>	\$0	\$0	100.00%
<b>*Expenditures</b>	\$2,108,765	\$27,176	1.29% Received
*(less unappropriated expenditures)	\$2,108,765	\$0	0.00% Expended

**Water Enterprise Capital  
Improvement Fund 029**

<b>Beginning Fund Balance</b>	<b>Budget</b>	<b>Actual</b>	
<b>Revenue</b>	\$1,486,000	\$1,486,466	100.03%
<b>*Expenditures</b>	\$91,100	\$9,126	10.02% Received
*(less unappropriated expenditures)	\$1,577,100	\$27,839	1.77% Expended

**Wastewater Enterprise DEQ  
Capital Improvement Fund  
030**

<b>Beginning Fund Balance</b>	<b>Budget</b>	<b>Actual</b>	
<b>Revenue</b>	0	\$0	0.00%
<b>*Expenditures</b>	\$60,650	\$60,642	99.99% Received
*(less unappropriated expenditures)	\$60,650	\$0	0.00% Expended

**Reedsport Urban Renewal  
District. Fund 150**

<b>Beginning Fund Balance</b>	<b>Budget</b>	<b>Actual</b>
-------------------------------	---------------	---------------

<b>Revenue</b>	\$120,000	\$125,903	0.00%
<b>*Expenditures</b>	\$71,500	\$1,537	2.15% Received
	\$191,500	\$1,252	0.65% Expended

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

Councilor Essig said that Christmas in July will have a fundraising dinner at the Eagles Lodge on December 1st, 2011 and that a "Moonlight Madness" sale at local merchants will be the same night.

Mayor Keith Tymchuk noted that American Bridge Company will be hosting an event celebrating the opening of the Port of Coos Bay rail line.

Councilor Wall-Meyer mentioned that she had recently attended an economic development seminar put on by the League of Oregon Cities and was able to share a lot of ideas with other communities.

9. EXECUTIVE SESSION OF THE REEDSPORT CITY COUNCIL NOVEMBER 7, 2011 CITY HALL COUNCIL CHAMBERS.

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

OTHERS PRESENT: Deanna Schafer

- A. Pursuant to ORS 192.660(2)(e) – to conduct deliberations with persons designated by the governing body to negotiate real property transactions.
- B. Pursuant to ORS 192.660(2)(h) – to consult with counsel concerning the legal rights and duties of a public body with regard to litigation likely to be filed.
- C. Pursuant to 192.660 (2) (a) To consider the employment of a public officer, employee, staff member or individual agent.

10. ADJOURN

\_\_\_\_\_  
Mayor Keith Tymchuk

ATTEST:

\_\_\_\_\_  
Deanna Schafer, City Recorder