

MINUTES OF THE REEDSPORT CITY COUNCIL REGULAR SESSION JUNE 7, 2010 7:00 P.M. CITY HALL COUNCIL CHAMBERS.

PRESENT:

Mayor, Keith Tymchuk

Councilors Bill Otis, Diane Essig, Bill Walker, Mike Macho and Tonya Wahl (Councilor Ginger Anderson was absent)

City Manager, Scott Somers

City Attorney, Steve Miller

OTHERS PRESENT: Deanna Schafer, Diane Novak, Vera Koch, Floyd Dollar, Judy Macho, Lee Bridge, Lorelyn Lorence, Sgt. Jim Woods, Dustin Anderson, Michael Pitcher, Mary Lindeman, Beth Fandrey, John and Sheri Paul, Charmaine Vitek, Jacque Potter, Debbie McKinney, Lisa Wenzel, Susan Martin, Harold Rose, John Steininger, Tom Anderson, Lori Newman

CALL TO ORDER/PLEDGE OF ALLEGIANCE

Mayor Keith Tymchuk called the meeting to order at 7:10pm.

1. PRESENTATIONS, PROCLAMATIONS, AWARDS, CITIZEN COMMENTS

Mayor Keith Tymchuk swore in the new Police Chief Mark Fandrey.

2. APPROVAL OF THE AGENDA

Councilor Tonya Wahl moved that the City Council approve the Agenda.

Councilor Diane Essig seconded the motion.

MOTION:

that the City Council approve the Agenda.

VOTE:

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

AYES 6 NAYES 0

(Mayor Tymchuk, Councilors Essig, Macho, Otis, Wahl and Walker voted in favor of the motion.)

Mayor Tymchuk declared the motion passed unanimously.

3. PUBLIC HEARING

Public Hearing to adopt municipal operating budget for Fiscal year 2010/2011.

Mayor Keith Tymchuk opened the public hearing at 7:10 pm.

Shall the City Council adopt a Resolution adopting the 2010/2011 budget for the City of Reedsport, and approving the permanent tax levy rate of \$6.1882 per \$1,000 of assessed value for the fiscal year 2010/011 City of Reedsport Budget, declaring an emergency an adding 2010-013 as the title?

Financial Officer Vera Koch said, at the regular Budget Committee meeting of April 20<sup>th</sup>, the Reedsport City Budget Committee approved a budget totaling \$13,770,080 for Fiscal Year 2010

/ 2011. 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 26, 2010.

A public hearing is being held for the Council to consider final adoption of the budget for fiscal year 2010 / 2011. State statute requires that a budget be adopted before June 30<sup>th</sup> of each year. Additional meetings can be scheduled if the Council wishes to consider any additional information. The budget also contains the five-year Capital Improvement Plan for the City.

Staff is recommending some changes to the budget which was approved by the Budget Committee on April 19<sup>th</sup> 2010. 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.

ORS 294.435 also allows for adjustment to approved budgets, with any change which is over 10% or \$5,000, whichever is greater, requiring Council approval, and then the changed funds of the budget must be republished as amended.

#### **General Fund recommended changes**

Intra-Fund change:

- Non Departmental unit – 110  
Decrease line item 001-110-615610 Misc. Grants & Donation Expenses from \$5,000 to \$1,110
- Police Departmental unit – 200  
Add line item 001-200-615610 Misc Grants & Donations Expense for \$3,900.

#### **No net appropriation change to General Fund**

In order to appropriately categorize grant expenditures, grant expenses are being moved from non department to the police departmental unit.

#### **Wastewater Enterprise Capital Fund (024) Changes**

Revenue changes

- Increase in Beginning Fund Balance from \$1,025,000 to \$1,129,000 for an increase of \$104,000.

Capital Outlay Expenditure changes:

- Add line item 024-524-745900 Wastewater Treatment Plant Upgrade of \$104,000

It is estimated that \$104,000 will be left in City funds which will be used for upgrades of the treatment plant which will not be completed at fiscal year end.

**Net appropriation change to the Wastewater Enterprise Capital Fund is an increase of \$104,000.**

#### **General Capital Improvement Fund (025) Changes**

Revenue changes

- Decrease line item 025-000-421360 State Transient Grant from \$40,000 to \$0-.

General Capital Improvement Fund Expenditure changes:

- Decrease line item 025-525-725300 Vehicles from \$40,000 to \$0-.

The \$40,000 was earmarked for the purchase of a new Dial A Ride van. The City has been notified that Douglas County will purchase the van and then give the van to the City of Reedsport.

**Net appropriation change to the General Capital Improvement Fund is a decrease of \$40,000.**

**The amended appropriation total for the City of Reedsport fiscal year budget is \$13,845,580; an increase of \$75,500.**

There were no citizens comments in support or opposition of the proposed budget or the proposed changes.

Public hearing was closed at 7:45pm.

Councilor Bill Otis asked where the City was at with the grant application to the State Marine Board for the riverfront area board ramp, bathroom and parking area expansion. He referenced City Council Goal #6. He said that he was under the impression that the City had applied for this grant.

City Manager Scott Somers said that the City had never applied for a grant from the Marine Board. Approximately one year ago the Marine Board created a mock up plan which would have purchased the yellow shed from Knife River and created parking in the entire area for boats etc. At that time staff spoke with Council, in a Goals and Objectives work session, about how the City would prefer to do a small area plan before applying for the grant and moving forward in creating a parking lot at the riverfront. It was Somers' understanding that the consensus of the Council was to move forward with a small area plan before turning the riverfront into a parking lot. The grant is available ever one to two years and the City can apply any time.

Councilor Otis said that he was under the impression that the grant had been applied for since it was one of the Council goals.

Somers said that the Urban Renewal Advisory Board has budgeted to complete a small area plan in the next fiscal year which will include the riverfront area.

Councilor Otis said this budget no longer includes a capital improvement plan broken down by each department. Otis said that the City's most valued asset is the Volunteer Fire Department. He said that he would like to look for funds in this year's budget to replace the Fire Chief's SUV.

Mayor Tymchuk asked Fire Chief Anderson where this item is on his priority list.

Chief Tom Anderson said that it is well down on the list. They have many items that need to be replaced prior to replacing the Fire Chief's SUV.

Councilor Mike Macho said that the City could get a vehicle from the City of Portland for a small amount of money.

Tymchuk said that since it is well down on the priority list and if it comes to a point where the department is in need of a vehicle and the City can find a vehicle that fits its needs, the Council will certainly visit that.

Councilor Tonya Wahl moved that the City Council adopt a Resolution adopting the Fiscal Year 2010 / 2011 Operating Budget and the Capital Improvement Plan, declaring an emergency; and assign Resolution 2010-013 as the title.

Councilor Diane Essig seconded the motion.

**MOTION:**

that the City Council adopt a Resolution adopting the Fiscal Year 2010 / 2011 Operating Budget and the Capital Improvement Plan, declaring an emergency; and assign Resolution 2010-013 as the title.

VOTE:

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

AYES 6 NAYES 0

(Mayor Tymchuk, Councilors Essig, Macho, Otis, Wahl and Walker voted in favor of the motion.)

Mayor Tymchuk declared the motion passed unanimously.

4. 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 3, 2010.
- B. Approve minutes of the regular session of May 3, 2010.
- C. Shall the City Council adopt a Resolution authorizing grant application submission procedures by City of Reedsport staff or volunteers for the funding of City owned facilities, infrastructure, City purchases or any other purpose?
- D. Motion to approve the Consent Calendar.

Councilor Otis asked that items A and C be removed from Consent Agenda and placed under General Business as items 7.J. and 7.K.

Councilor Mike Macho moved that the City Council approve the Consent Calendar as amended.

Councilor Bill Otis seconded the motion.

MOTION:

that the City Council approve the Consent Calendar as amended.

VOTE:

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

AYES 6 NAYES 0

(Mayor Tymchuk, Councilors Essig, Macho, Otis, Wahl and Walker voted in favor of the motion.)

Mayor Tymchuk declared the motion passed unanimously.

5. GENERAL BUSINESS

- A. Shall the City Council issue a letter of support for a Bicycle and Pedestrian Program grant application?

City Manager Scott Somers said that the Mayor and Council are asked to issue a letter of support for Bicycle and Pedestrian Program grant administered by Oregon Department of Transportation. Staff is looking at this grant and the Transportation Enhancement Grant to determine if this is the best grant to apply for.

The Oregon Bicycle and Pedestrian Program are accepting grant applications for pedestrian and/or bicycle projects for implementation in Fiscal Years 2012/2013. The City is coordinating with the Oregon Department of Transportation (ODOT) to submit a grant application for bicycle

and pedestrian improvements on Hwy. 38 from Hwy. 101 to 6<sup>th</sup> Street. The grant funding will be used to implement the Reedsport Transportation System Plan (TSP) by linking existing sidewalk and bicycle facilities on Hwy. 38 from 6<sup>th</sup> Street to facilities on Hwy. 101.

Currently, there is a gap in the bicycle and pedestrian network along Hwy. 38, and the grant funding would assist with completing this section of the transportation network. These bicycle and pedestrian facilities will also be enhanced and the streetscape theme of Old Town will be extended by bringing matching street lights and trees from 6<sup>th</sup> Street up to Hwy. 101. This project will be also be coordinated with the ODOT Railroad Division because they will be improving the Hwy. 38 railroad crossing with pedestrian access and new crossing arms. The entire project will not only implement the City's TSP, it will help to further revitalization efforts for Old Town and beautify the City.

Councilor Mike Macho moved that the City Council support the grant application with the Mayor's signature.

Councilor Bill Walker seconded the motion.

MOTION:

that the City Council support the grant application with the Mayor's signature.

VOTE:

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

AYES 6 NAYES 0

(Mayor Tymchuk, Councilors Essig, Macho, Otis, Wahl and Walker voted in favor of the motion.)

Mayor Tymchuk declared the motion passed unanimously.

- B. Shall the City Council adopt a resolution applying for a Small City Allotment grant and assign 2010-017 as the title?

Public Works Superintendant Floyd Dollar said that the Oregon Department of Transportation (ODOT) administers the Small Cities Allotment (SCA) program wherein cities under 5,000 populations are allocated up to \$25,000 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 has received SCA funding for Frontage Road, Ranch Road, 16<sup>th</sup> Street and Hawthorne Avenue, the 10<sup>th</sup> Street Rehabilitation Project, Longwood Drive, and Ranch Road from Frontage to Regence to be overlaid this summer. Sidewalks on the South Side of Winchester Avenue at the Railroad crossing were applied for and awarded in 2008; however a greater need came up on 14th street project and through a fund exchange we were able to transfer those funds to the 14th street rehabilitation project.

The City is again applying for a sidewalk on the South Side of Winchester Avenue at the Railroad crossing. Discussions with Oregon Department of Transportation have determined that this project would be eligible under this program.

A proposed Resolution has been drafted, requesting funds for a sidewalk at the Railroad Crossing on Winchester Ave., 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 spring and summer of 2011.

It is recommended that the Council adopt a Resolution designating a Small Cities Allotment Project for 2010-11, requesting funds for construction of a sidewalk at the Railroad Crossing on Winchester Ave.; and that Resolution 2010-017 be assigned as the title.

Councilor Tonya Wahl moved that the City Council adopt a Resolution designating a Small Cities Allotment Project for 2010-11, requesting funds for construction of a sidewalk at the Railroad Crossing on the South Side of Winchester Ave.; and that Resolution 2010-017 be assigned as the title.

Councilor Diane Essig seconded the motion.

MOTION:

that the City Council adopt a Resolution designating a Small Cities Allotment Project for 2010-11, requesting funds for construction of a sidewalk at the Railroad Crossing on the South Side of Winchester Ave.; and that Resolution 2010-017 be assigned as the title.

VOTE:

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

AYES 6 NAYES 0

(Mayor Tymchuk, Councilors Essig, Macho, Otis, Wahl and Walker voted in favor of the motion.)

Mayor Tymchuk declared the motion passed unanimously.

- C. Shall the City Council approve a grant application for improvements to Lion's Park and solicit donations showing community support?

Public Works Superintendant Floyd Dollar presented the following information. The Parks and Beautification Committee have been working diligently on drafting a grant application for improvements to Lion's Park. Improvements include a new fence along Hwy 101 and new playground equipment.

Council isn't being asked to adopt the draft concept at this time, but to approve the grant application and to allow the Committee members to solicit funds and donations on behalf of the City in order to show community support to The Charlotte Martin Foundation, the granting agency.

The City is fortunate to have such a great number of community volunteers willing to donate many hours required in the process of project coordination, fund raising, and grant writing on behalf of the Reedsport Parks and Beautification Committee.

Parks and Beautification Chair Susan Martin said that the project is anticipated to cost approximately \$100,000.00.

Councilor Diane Essig moved that the City Council approve a grant application for improvements to Lion's Park and solicit donations showing community support.

Councilor Mike Macho seconded the motion.

MOTION:

that the City Council approve a grant application for improvements to Lion's Park and solicit donations showing community support.

VOTE:

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

AYES 6 NAYES 0

(Mayor Tymchuk, Councilors Essig, Macho, Otis, Wahl and Walker voted in favor of the motion.)

Mayor Tymchuk declared the motion passed unanimously.

D. Shall the City Council award a bid for the Dunes NRA maintenance building reroof?

Public Works Superintendant Floyd Dollar said that the Oregon Dunes National Recreation maintenance Building-Reroof project consists of, but is not limited to, tearing off existing shingles, removing cedar shingles and installing metal roofing. Gutters and downspouts to remain and be reused.

A Request for Bids was published in the Umpqua Post, The World Newspaper, on the City website and at three plan exchanges with all sealed bids due by 3:00 p.m. on June 2, 2010. All valid proposals received were opened at 3:00 p.m., with the following people present: Councilor Bill Walker, City Manager Scott Somers, Public Works Superintendant Floyd Dollar, and Financial Officer Vera Koch.

Eight bids were received. The three lowest bids are as follows:

1. Americorp	\$23,450.00	Bandon, Or
2. Oak Hill Roofing & Sheet Metal	\$24,750.00	Portland, Or
3. Ron Kaufman Builder	\$27,087.00	Reedsport, Or

It is staff's recommendation to accept the low bid of \$23,450.00 received from Americorp and authorize the Mayor to sign the contract.

Councilor Tonya Wahl asked where Americorp operates their business out of and how large the operation is.

Mayor Keith Tymchuk said that he was thinking the same thing. Is this a large corporation?

Dollar said that no, it is actually not a large corporation; the business is operated out of Bandon, Oregon.

Councilor Wahl said that she would like to award the bid to a local contractor.

Tymchuk asked if it is allowed to award a local contractor verses an out of town contractor some kind of percentage margin that would allow the City to award a local bidder if the bids were somewhat comparable?

Financial Officer Vera Koch said no, that the City follows the State rules for competitive bidding. Koch said that she thought that in previous rules there were allowances like that.

Tymchuk asked that staff look into this possibility for future competitive bids.

Councilor Mike Macho moved that the City Council award bid to Americorp and authorize the Mayor to sign the contract.

Councilor Bill Walker seconded the motion.

MOTION:

that the City Council award bid to Americorp and authorize the Mayor to sign the contract.

VOTE:

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

AYES 4 NAYES 2

(Mayor Tymchuk, Councilors Essig, Macho, and Walker voted in favor of the motion.)(Councilors Otis and Wahl voted in opposition.)

Mayor Tymchuk declared the motion passed.

- E. Shall the City Council adopt a Resolution revising the fiscal year 2009/2010 operating budget, declaring an emergency and assign 2010-014 as the title?

Finance Officer Vera Koch said budget adjustments are generally necessary at this point in the current fiscal year. A Resolution has been drafted which provides for such year-end changes in the form of a Supplemental Budget for fiscal year budget of 2009 / 2010.

The following information is provided regarding the recommended adjustments. These adjustments were not anticipated at the time of adopting the FY 2009 / 010 budget. None of the recommended adjustments increase the property tax levy.

This budget adjustment affects pages 57, 58, 71, 125, 129, 187, 225 of the current Adopted Budget for Fiscal Year 2009 / 010.

General Fund (001) change explanations:

An intra fund change needs to be made in the City Manager budget. Dues and Fees are greater than projected for the fiscal year. The proposed change increases Dues and Fees by \$700 and decreases Health Insurance by \$700. There is no increase or decrease in the City Manager budget total.

During the current fiscal year, some very active fund-raising has been undertaken by the Police Department and volunteers for animal control. Approximately, \$10,000 in additional donations has been received for animal control. Revenue for Animal Control Donations is increased by \$10,000 from \$2,500 to \$12,500. Expenditure line item Capital Outlay Building Improvements has been added in the amount of \$10,000.

Unexpected increases in building permits and mechanical permits have created a need to increase the expenditures relating to these two revenue items. State Assessment fees for Building permits is increased from \$5,000 to \$6,000. Building Inspection expenditure is increased from \$34,000 to \$44,000, and Mechanical Inspection expenditure is increased from \$2,800 to \$7,800. The expenditures are offset by an increase in Building Permits revenue by \$11,000 and Mechanical Permits revenue by \$5,000.

**Wastewater DEQ Debt Fund (012) changes:**

When the City requested additional funding from DEQ for the Wastewater plant improvements, the reserve amount increased from \$375,000 to \$464,330. While the staff does not anticipate spending the entire additional \$2,700,000, the requirement remains in effect until the projects are completed at which time the permanent reserve will be set. The additional \$89,330 is being transferred from Wastewater Capital Improvement (024)

**GENERAL FUND (#001)**

**REVENUES:**

Building Permit Fees (001-000-415450) page 57 is increased from \$20,000 to \$31,000, an increase of \$11,000.

Mechanical Permit Fees (001-000-415453) page 57 is increased from \$6,000 to \$11,000, an increase of \$5,000.

Animal Control Donations (001-000-415810) page 58 is increased from \$2,500 to \$12,500, an increase of \$10,000.

Revenue increase of \$26,000.

**EXPENDITURES:**

**General Fund**

**City Manager Department Unit (101)**

Personnel Services;

Health Insurance (001-101-531220) page 71 is decreased from \$18,900 to \$18,200 a decrease of \$700.

Materials & Services;

Dues & Fees (001-101-615590) page 71 is increased from \$1,000 to \$1,700, an increase of \$700.

No net change in City Manager Department.

**Building Inspection Department Unit (230)**

Materials & Services;

State Assessment, Building Permits (001-230-613520) page 125 is increased from \$5,000 to \$6,000, an increase of \$1,000.

Building Inspection (001-230-623450) page 125 is increased from \$34,000 to \$44,000, an increase of \$10,000.

Mechanical Inspection (001-230-623460) page 125 is increased from \$2,800 to \$7,800, an increase of \$5,000.

Net change to Building Inspection is an increase of \$16,000.

**Animal Control Department Unit (240)**

Capital Outlay;

Building Improvements (001-240-712500) page 129 is added for an amount of \$10,000.

Net change to Animal Control is an increase of \$10,000.

**The net change in the General Fund is an increase of \$26,000.**

**Wastewater DEQ Debt Fund (012)**

Revenue;

DEQ Sewer Reserve Transfer (012-000-451630) page 187 is increased from \$375,000 to \$464,330, an increase of \$89,330.

Net increase to revenue is \$89,330.

Reserve Account;

DEQ Debt Reserve Fund (012-512-951500) page 187 is increased from \$375,000 to \$464,330, an increase of \$89,330.

Net increase to expenditures is \$89,330.

The net change to WW DEQ Debt fund is an increase of \$89,330.

**Wastewater Enterprise Capital Debt Fund (024)**

Interfund Transfer;

DEQ Debt Reserve Transfer (024-524-9) page 225 is increased from \$375,000 to \$464,330, an increase of \$89,330.

Net increase to expenditures is \$89,330.

Net Change to Wastewater Enterprise Capital Debt Fund is expenditure increase of \$89,330.

It is recommended that the City Council adopt a Resolution adopting a Supplemental Budget and Budget Revisions for Fiscal Year 2009 / 010; and that Resolution 2010 – 014 be assigned as the title.

Councilor Tonya Wahl moved that the City Council adopt a Resolution adopting a Supplemental Budget and Budget Revisions for Fiscal Year 2009 / 010; and assign Resolution 2010-014 as the title.

Councilor Mike Macho seconded the motion.

MOTION:

that the City Council adopt a Resolution adopting a Supplemental Budget and Budget Revisions for Fiscal Year 2009 / 010; and assign Resolution 2010-014 as the title.

VOTE:

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

AYES 6 NAYES 0

(Mayor Tymchuk, Councilors Essig, Macho, Otis, Wahl and Walker voted in favor of the motion.)

Mayor Tymchuk declared the motion passed unanimously.

- F. Shall the City Council adopt a Resolution amending the City of Reedsport Personnel Rules and Regulations with regards to health insurance declaring an emergency and assign 2010-015 as the title?

Finance Officer Vera Koch said that the health insurance program for exempt and confidential employees has been carried by City County Insurance Services (CCIS) as part of the Employee Benefits Services (EBS) Trust since August 1, 1976.

In January 2009, the health insurance plan was modified to High deductible Health Savings Account Plan 2 (HSA) replacing Plan V-A-PPP in order to realize savings in the health care premiums. The change of plans was established by Resolution 2008-016 at the September 8, 2008 Council meeting. HSA Plan 2 continues with the yearly deductible of \$2,500 for employee only and \$4,000 deductible for employee plus family.

Total cost of premiums which include medical insurance, dental and vision are about 40% less than the previous medical insurance plan covering exempt staff. Staff continues to pay 10% of the premiums as adopted by Council in June 2008. The City's portion will remain at 90% of premiums and fully paid contributions of the deductible amount of \$2,500 for employee only coverage and \$4,000 for employee plus family coverage. As agreed the deductible is placed in a HSA bank account for each employee which becomes their account to manage. As previously agreed, the City will make ½ deductible payments to the HSA employee bank accounts in July 1<sup>st</sup> and in January 1<sup>st</sup> of each year. A savings to the City for the next fiscal year is estimated to be \$19,900 with the HSA 2 medical plan, vision and dental plans in place compared to previous insurance plan.

Councilor Tonya Wahl asked how the HSA medical plan has worked out so far.

Koch said that there have been no complaints so far. The plan took some getting used to but all in all it is fine.

Councilor Bill Walker expressed dissatisfaction with the City paying the entire deductible for employees.

Finance Officer Vera Koch said that this plan compared with other City and County programs offered to employees in Oregon is one of the lowest for insurance.

Councilor Mike Macho said that one reason that Cities don't retain good employees is by not having good benefits.

Councilor Tonya Wahl moved that the City Council adopt a Resolution revising Section 42 of the City of Reedsport Personnel Rules and Regulations; and assign Resolution number 2010-015 as the title

Councilor Bill Otis seconded the motion.

MOTION:

that the City Council adopt a Resolution revising Section 42 of the City of Reedsport Personnel Rules and Regulations; and assign Resolution number 2010-015 as the title

VOTE:

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

AYES 5 NAYES 1

(Mayor Tymchuk, Councilors Essig, Macho, Otis, and Wahl voted in favor of the motion.) (Councilor Walker voted in opposition.)

Mayor Tymchuk declared the motion passed.

Mayor Tymchuk asked when the rule will go into effect so that the Council doesn't have to declare an emergency every time a resolution is adopted.

City Manager Scott Somers said that an amendment to the Charter has to go to the vote of the people and that won't happen until November election.

G. Shall the City Council adopt a Resolution amending the City of Reedsport Personnel Rules and Regulations with regard to wage and salary schedule and employee classification policy, declaring an emergency and assign 2010-016 as the title?

Financial Officer Vera Koch said that the City of Reedsport Personnel Rules and Regulations provide the current wage and salary schedule for City employees. At the Council meeting of June 7, 2010, the Council is presented with Resolution 2010-016 for adoption which establishes the City of Reedsport Operating Budget for Fiscal Year 2010 / 011. The adopted budget includes the Employee Pay Plan for Fiscal Year 2010 / 011.

As provided for in the Personnel Rules and Regulations, Appendix B should be updated to coincide with the Adopted Budget. A proposed Resolution has been drafted amending Appendix B of the Personnel Rules and Regulations.

City Manager clarified that the wage schedule is tied to the change in the National CPI-U which is meant to measure actual cost of living increases. This number is 2.6% this year, last year it was 0%. The only group that received any increase last year was the Teamster Union because they had an additional 2% increase negotiated into their contract. Somers said that he did approach the union and ask them to consider forgoing this increase since no other employees were receiving any increases, however the union turned down the request.

Mayor Keith Tymchuk inquired about the Compensation and Classification study the City has contracted with LGPI to complete.

Somers said that the survey has been completed and the raw data has been received. Once he looks through that and makes comments they will create a final plan to bring back to Council for potential adoption.

Councilor Bill Walkers said that he understands that the contracts tie the increase to the CPI-U but he doesn't feel that it is right. No one else is getting a raise in pay; he doesn't feel that the City employees should get one.

Councilor Tonya Wahl moved that the City Council adopt a Resolution revising the City of Reedsport Personnel Rules and Regulations, Appendix B; and assign Resolution number 2010-016 as the title.

Councilor Bill Otis seconded the motion.

MOTION:

that the City Council adopt a Resolution revising the City of Reedsport Personnel Rules and Regulations, Appendix B; and assign Resolution number 2010-016 as the title.

VOTE:

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

AYES 5 NAYES 1

(Mayor Tymchuk, Councilors Essig, Macho, Otis, and Wahl voted in favor of the motion.) (Councilor Walker voted in opposition.)

Mayor Tymchuk declared the motion passed.

H. Shall the City Council award a Fiscal Year 2010/2011 Contract for Worker's Compensation Insurance?

The City annually awards a Worker's Compensation Insurance policy contract to an insurance company. The current policy, with SAIF Corporation, expires on June 30<sup>th</sup>. Each year, the City Insurance Agent of Record, Fullhart Insurance, 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	\$41,683	with projected 2010/2011 payroll
City County Insurance Services	\$47,129	with projected 2010/2011 payroll

The SAIF Corporation holds the current contract for Worker's Compensation insurance with the City. Ms. McKinney will be present at the Council meeting to answer any questions.

Councilor Mike Macho moved that the City Council award a Fiscal Year 2010 / 011 contract for Worker's Compensation Insurance and authorize the Mayor to sign on behalf of the City.

Councilor Bill Walker seconded the motion.

MOTION:

that the City Council award a Fiscal Year 2010 / 011 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

(Mayor Tymchuk, Councilors Essig, Macho, Otis, Wahl and Walker voted in favor of the motion.)

Mayor Tymchuk declared the motion passed unanimously.

- I. Shall the City Council award a Fiscal Year 2010/2011 Contract for Property Casualty and Automobile Insurance for the City?

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 30<sup>th</sup>. Each year, the City Insurance Agent of Record, Fullhart Insurance, obtains bids for the City of Reedsport's commercial insurance needs for the following year. In the Agent of Record's 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) \$ 109,699**

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**

Ms. McKinney will be present to answer questions regarding the bid process and final determination.

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 30<sup>th</sup>. 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 \$1,492**

Councilor Mike Macho moved that the City Council award a Fiscal Year 2010 / 011 contract for the Commercial Package Policy to the City County Insurance Services in the amount of not to exceed **\$109,699** and award a Fiscal Year 2010 / 011 contract for City Manager bonding policy to Old Republic in the amount of **\$300** and award a Fiscal Year 2010 / 011 contract for Business Travel Accident insurance to Health Special Risk, Inc. in the amount of **\$1,000** and award a Fiscal Year 2010 / 011 contract for flood insurance for the Umpqua Discovery to National Flood

Services in the amount of **\$1,492** authorizing the Mayor, to sign all agreements on behalf of the City.

Councilor Bill Walker seconded the motion.

MOTION:

that the City Council award a Fiscal Year 2010 / 011 contract for the Commercial Package Policy to the City County Insurance Services in the amount of not to exceed **\$109,699** and authorize the Mayor, to sign on behalf of the City and award a Fiscal Year 2010 / 011 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 award a Fiscal Year 2010 / 011 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 award a Fiscal Year 2010 / 011 contract for flood insurance for the Umpqua Discovery to National Flood Services in the amount of **\$1,492** 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        

(Mayor Tymchuk, Councilors Essig, Macho, Otis, Wahl and Walker voted in favor of the motion.)

Mayor Tymchuk declared the motion passed unanimously.

J. Approve minutes of the work session of May 3, 2010.

City Councilor Bill Otis said that on page 35 of the draft minutes an item concerning the contract employment of the City Attorney and the City Prosecutor was included. This information was included in a memo that was provided to the Council from the City Manager that was not asked for nor was it discussed during the work session. Otis asked that those two sections of the minutes be removed from the permanent record.

Councilor Wahl asked if there was going to be another work session to cover these items.

Mayor Tymchuk said that there was not direction given at the last work session, but that the Council can consider the items nonetheless.

Councilor Wahl said that the Council should discuss the items and also talk about the Transient Room tax with the Chamber of Commerce.

Mayor Tymchuk said that the Council would talk about that in during Miscellaneous Items later in the meeting. He asked if Councilor Otis thought that all three items from the memo should be removed even though the Municipal Court Judge was discussed.

Councilor Otis said that these items were not discussed and he would like them removed in their entirety.

Mayor Tymchuk asked if any of the Council or the City Attorney had any objections with this.

None were raised.

Councilor Tonya Wahl moved that the City Council approve minutes of the work session of May 3, 2010 as amended.

Councilor Bill Otis seconded the motion.

MOTION:

that the City Council approve minutes of the work session of May 3, 2010 as amended.

VOTE:

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

AYES 6 NAYES 0

(Mayor Tymchuk, Councilors Essig, Macho, Otis, Wahl and Walker voted in favor of the motion.)

Mayor Tymchuk declared the motion passed unanimously.

- K. Shall the City Council adopt a Resolution authorizing grant application submission procedures by City of Reedsport staff or volunteers for the funding of City owned facilities, infrastructure, City purchases or any other purpose?

Many facilities, parks, infrastructure, equipment and vehicles which are owned by the City have need of replacement or improvements. Occasionally, there are opportunities which staff, and or volunteers would like authorization from the city to seek outside funding opportunities through grants. It seems prudent to establish procedures for all grant writing with time lines for City Staff to review the applications.

The City is appreciative of all offers of help in writing and submitting grants for City facilities, parks, infrastructure and equipment. However, in some instances, there may be grant obligations in which the City needs to make a decision. This could be monetary matches, in kind match, a certain degree of maintenance level or some long term agreement which the City may wish to decline. Staff believes that City authorization prior to submission of the grant applications would prevent misunderstandings.

In keeping with the established Staff purchasing procedure of the Reedsport City Council authorizing purchases \$10,000 or greater, all grant applications of \$10,000 or greater must be approved by the City Council at the next regularly scheduled Council meeting;

Councilor Bill Otis asked if this Resolution should contain a provision for City Attorney review.

Mayor Keith Tymchuk said that in a sense it does say that because all grants over \$10,000 come to City Council where the City Attorney has the chance to review them.

City Attorney Steve Miller said that he doesn't think that Attorney review is warranted for the grants under \$10,000.00.

Councilor Mike Macho moved that the City Council adopt a Resolution establishing procedures in authorizing the submission of grants for funding of city owned facilities, infrastructure, city purchases or any other purposes where the City of Reedsport shall be the grantee and assign 2010-018 as the title.

Councilor Bill Walker seconded the motion.

MOTION:

that the City Council adopt a Resolution establishing procedures in authorizing the submission of grants for funding of city owned facilities, infrastructure, city purchases or any other purposes where the City of Reedsport shall be the grantee and assign 2010-018 as the title.

VOTE:

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

AYES 6 NAYES 0

(Mayor Tymchuk, Councilors Essig, Macho, Otis, Wahl and Walker voted in favor of the motion.)

Mayor Tymchuk declared the motion passed unanimously.

6. MISCELLANEOUS ITEMS

*(Mayor, Councilors, Student Councilors, City Manager, City Attorney)*

Councilor Wahl said that she would like to set a work session for the Transient Room Tax discussion between the City and the Chamber of Commerce.

Mayor Tymchuk said that the Chamber of Commerce is on the July 12 agenda to give their annual report containing the expenditure of the Transient Room Tax.

Councilor Wahl asked if the City can change the Room Tax.

City Manager said that the Council can vote to increase the Tax. Of any increase, 70% of the increase would be restricted and the other 30% would not.

Mayor Tymchuk said that a work session discussion to discuss the Municipal Court Judge should be scheduled at a meeting after July.

ADJOURN

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

ATTEST:

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