

MINUTES OF THE REEDSPORT CITY COUNCIL REGULAR SESSION JUNE 3, 2013 7:00 P.M. CITY HALL COUNCIL CHAMBERS.

PRESENT: Mayor, Keith Tymchuk  
Councilors Frank Barth, DeeDee Murphy, Linda McCollum, Kathi Wall-Meyer, and Diane Essig  
City Manager, Jonathan Wright  
City Attorney, Steve Miller

OTHERS PRESENT: Deanna Schafer, Vera Koch, Steve Lindsey (Umpqua Post) (attendance sheet removed)

CALL TO ORDER/PLEDGE OF ALLEGIANCE

1. 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.*

None.

2. PRESENTATIONS, PROCLAMATIONS, AWARDS

Mayor Keith Tymchuk presented a plaque in appreciation for the years of service Mr. Mike Macho dedicated to the position of City Councilor. Mr. Macho was not present.

A. Proclamation of election results

Mayor Keith Tymchuk read a proclamation of the 2013 Election results. The official results will be certified on June 10, 2013.

B. Chamber of Commerce Advertising report

Ms. Nancy Hammond, president of the Chamber of Commerce gave an advertising report of expenditures for 2012.

3. APPROVAL OF THE AGENDA

City Manager Jonathan Wright asked to amend the agenda to add a Planning Commission appointment.

Councilor Kathi Wall-Meyer motioned to approve the agenda as amended.

Councilor Diane Essig seconded the motion.

MOTION:

that the City Council approve the agenda as amended.

VOTE:

AYES 6 NAYES 0

(Mayor Keith Tymchuk, Councilors Barth, Murphy, McCollum, Essig, and Wall-Meyer voted in favor of the motion.)

Mayor Tymchuk declared the motion passed unanimously.

4. PUBLIC HEARINGS

Public Hearing to adopt municipal operating budget for Fiscal year 2013 / 2014.

Shall the City Council adopt Resolution 2013-011 adopting the 2013 / 2014 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 2013 / 2014?

Finance Officer Vera Koch said that at the regular Budget Committee meeting of April 22<sup>nd</sup>, the Reedsport City Budget Committee approved a budget totaling \$13,187,990 for Fiscal Year 2013 / 2014. The Budget Committee approved the permanent levy rate of \$6.1882 per \$1,000 of assessed valuation.

A summary of the 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 22, 2013.

A public hearing was held on June 3, 2013 for the Council to consider final adoption of the budget for fiscal year 2013 / 2014. 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 permanent tax levy of \$6.1882 per \$1,000 of assessed valuation is authorized to be taxed on properties within the City of Reedsport.

There was no testimony for or against the issue.

Public hearing was closed at 7:45pm.

Mayor Keith Tymchuk asked for comments from Councilors.

Councilor Frank Barth said that he would abstain from voting.

City Attorney Steve Miller said that he can abstain from voting without a reason.

Councilor Diane Essig motioned to adopt a Resolution electing to receive state revenue distributions for the Fiscal Year 2013 - 2014, certifying compliance with the Oregon Revised Statutes; and assign Resolution number 2013-009 as the title.

Councilor DeeDee Murphey seconded the motion.

MOTION:

that the City Council adopt a Resolution adopting the Fiscal Year 2013 / 2014 Operating Budget and the Capital Improvement Plan and assign Resolution 2013-011 as the title.

VOTE:

AYES 5 NAYES 0 ABSTAIN 1

(Mayor Keith Tymchuk, Councilors Murphy, McCollum, Essig and Wall-Meyer voted in favor of the motion.)(Councilor Barth voted in opposition)

Mayor Tymchuk declared the motion passed unanimously.

5. 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 special session of April 22, 2013.
- B. Approve minutes of the work session of May 6, 2013.
- C. Approve minutes of the regular session of May 6, 2013.
- D. Shall the City Council adopt an Ordinance extending and consenting to assignment of Franchise Agreement from Comspan Communications II, LP (Comspan Bandon) to Comspan Communications Inc. and assign 2013-1121 as the title?

Effective January 3<sup>rd</sup>, 2008 the City of Reedsport and Comspan Communications II, LP, a Delaware Limited Partnership entered into a non-exclusive franchise that gave them limited rights to construct, operate and maintain a fiber-based service facility; to occupy City rights-of-way; and to provide fiber-based services in the City. The Franchise agreement was in effect for five years from the date of approval.

Comspan Communications II, LP, a Delaware Limited Partnership (dba Comspan Bandon) has notified the City of their desire extend the franchise agreement for an additional 10 years and to exercise provision 6 "Transfer of Franchise" to assign the Agreement to Comspan Communications Inc., an Oregon Corporation.

Comspan is in full compliance with the duties and obligations that they may have under the terms of the original agreement.

There is no fiscal impact; the new franchisee would be bound by the same terms as the previous holder.

**\*1. Adopt an Ordinance consenting to assignment of a non- exclusive Franchise Agreement from Comspan Communications II, LP (Comspan Bandon) to Comspan Communications Inc. extending the agreement for 10 years and assign 2013-1121 as the title?**

E. Motion to approve the Consent Calendar.

Councilor Kathi Wall-Meyer motioned to approve the consent calendar.

Councilor Frank Barth seconded the motion.

MOTION:

that the City Council approve the consent calendar.

VOTE:

AYES 6 NAYES 0

(Mayor Keith Tymchuk, Councilors Barth, Murphy, McCollum, Essig, Wall-Meyer and voted in favor of the motion.)

Mayor Tymchuk declared the motion passed unanimously.

**6. GENERAL BUSINESS**

A. Shall the City Council award a Fiscal Year 2012 / 2013 Contract for Worker's Compensation Insurance?

Ms. Debbie McKinney of Fullhart Insurance the agent of record for the City of Reedsport explained that annually the City 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 Fullhart Insurance, obtains bids for the City of Reedsport employee's Worker's Compensation Insurance for the following year. Two insurance companies were solicited to quote for the upcoming year due to the claims history in the last few years. The following quotes were received:

SAIF Corporation	\$ 42,918
City County Insurance Services (CIS)	\$ 63,654

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

The SAIF quote is about \$4,000 more than the current year due to the number of claims filed by City employees. There is an additional discount from CIS to combine policies, however it is approximately \$4,000 and does not make up the \$20,000 difference.

Councilor Frank Barth motioned to award a Fiscal Year 2013 / 014 contract for Worker's Compensation Insurance to SAIF Corporation and authorize the Mayor to sign on behalf of the City.

Councilor Kathi Wall-Meyer seconded the motion.

MOTION:

that the City Council award a Fiscal Year 2013 / 014 contract for Worker's Compensation Insurance to SAIF Corporation and authorize the Mayor to sign on behalf of the City.

VOTE:

AYES 6 NAYES 0

(Mayor Keith Tymchuk, Councilors Barth, Murphy, McCollum, Essig, Wall-Meyer and voted in favor of the motion.)

Mayor Tymchuk declared the motion passed unanimously.

- B. Shall the City Council award a Fiscal Year 2012 / 2013 Contract for Property Casualty and Automobile Insurance for the City?

Finance Director, Vera Koch 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 30<sup>th</sup>.

Ms. McKinney said that each year, that as 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. The commercial policy is now including earthquake insurance for \$10,000,000 of coverage. A proposal was received as follows:

**City County Insurance Services (CIS) \$ 106,438**

Councilor Barth asked if the buildings and properties are over insured.

Ms. McKinney explained that this year the account was audited and the City and herself worked with an appraiser to come up with exact numbers of value. She said that some of the buildings came down in value and some items were added but they are very close.

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**



It is also the recommendation of staff to remove the regulations referring to certain organization's fundraising efforts. The City of Reedsport recognizes the importance of supporting fundraising efforts of charitable, non-profit, educational or religious organizations on Church or public property so long as the frequency of such activities is not deemed to be a commercial use.

Nothing in this ordinance amendment is meant to imply that a permit is not required or that all other Municipal Code provisions need not to be met.

The only fiscal impact may be an increase in garage sales permits issued, which would be difficult to predict.

City Attorney Steve Miller suggested that an amendment be made to the Ordinance to clarify that the garage sale limit is subject to any one location and any one person.

Councilor Linda McCollum motioned to adopt an Ordinance amending the Reedsport Municipal Code Chapter 7.16 to allow for three permitted garage sales within one year and exempt certain entities from these provisions.

Councilor DeeDee Murphy seconded the motion.

**MOTION:**

that the City Council adopt an Ordinance amending the Reedsport Municipal Code Chapter 7.16 to allow for three permitted garage sales within one year and exempt certain entities from these provisions.

**VOTE:**

AYES 6 NAYES 0

(Mayor Keith Tymchuk, Councilors Barth, Murphy, McCollum, Essig and Wall-Meyer voted in favor of the motion.)

Mayor Tymchuk declared the motion passed unanimously.

- D. Shall the City Council adopt an Ordinance relocating the "Temporary Use" provisions for recreational vehicles (RV's) from the Construction provisions of Title 10 to the "nuisance" provisions of Title 6 with the addition of a definition for "recreational vehicle" and minor amendment to the existing text?

City Manager Jonathan Wright said that the use of an RV longer than seven days is precluded under the City's Municipal Code; however, due to the location of this provision being under the City's building code division, enforcement must be done by the Building Official or their designee. This becomes problematic because RV's are not regulated by building codes and do not meet the standards for use as a dwelling. It should be noted that building codes do regulate RV's in an RV park.

Staff has had recent complaints regarding people using RV's as dwellings longer than the allowed seven days. This is not just a neighborhood nuisance but constitutes a potential threat to life, health and safety as these structures do not meet building code provisions for fire, safe ingress and egress and insulation. Staff is proposing to relocate the Municipal Code's existing provisions for temporary use of an RV from the building code section to the nuisance section thereby making it enforceable by the City Manager rather than the Building Official.

No financial impacts are anticipated.

Councilor DeeDee Murphey motioned to adopt an Ordinance relocating the "Temporary Use" provisions for RV's from the Construction provisions of Title 10 to the "nuisance" provisions of Title 6 with the addition of a definition for "recreational vehicle" and minor amendment to the existing text.

Councilor Kathi Wall-Meyer seconded the motion.

**MOTION:**

that the City Council adopt an Ordinance relocating the "Temporary Use" provisions for RV's from the Construction provisions of Title 10 to the "nuisance" provisions of Title 6 with the addition of a definition for "recreational vehicle" and minor amendment to the existing text.

**VOTE:**

AYES 6 NAYES 0

(Mayor Keith Tymchuk, Councilors Barth, Murphy, McCollum, Essig, Wall-Meyer and voted in favor of the motion.)

Mayor Tymchuk declared the motion passed unanimously.

- E. Shall the City Council adopt an Ordinance amending Chapter 3.12 of the Municipal Code concerning winter average and assign 2013-1124 as the title?

Finance Director Vera Koch said that it is important to the City that wastewater charges as a result of summer landscape irrigation use is charged fairly to its customers. During the winter months of November through April all metered utility users within the City of Reedsport's wastewater utility district are charged wastewater fees based upon actual water consumption as measured by the water meter. It is assumed that during the six winter months, most of the water consumed is returned to the sewer system therefore the customer is charged for actual water measured by the water meter.

For the months of May through October of each year, residential user's billings reflect actual cost of water measured by the water meter but a cap is placed on the sewer charge as a result of the estimation of water being used for outdoor activities such as irrigation of lawns and gardens. The rate offered to residential metered customers during the summer months allows the sewer billing to be generated based on the average of winter water use rather than at the actual water consumption.

Staff has been struggling to find provision in the current Municipal Code on the method to charge accounts which do not have at least two full months of winter use. Newly metered accounts, “snow bird” accounts and Landlord/tenants utility accounts frequently do not have adequate months of charges to use in the calculation of winter averaging. It is staff’s past practice and recommendation to set a default value of consumption of 625 cu. ft for the accounts without a minimum of two months which consist of at least 60 days (no partial month will be used in the calculation). The wastewater rate is based upon average monthly use for one household of 625 cu. ft. The wastewater formula to be used for the summer rate would be: the base rate (currently \$11.00) plus (Constant cost factor for meters) (\$60.00) x 625 cu. ft. / 625 cu. ft. This would result in a maximum sewer fee at current rates of \$11.00 plus \$60.00 for a total of \$71.00 per month.

$$\text{Base fee} + [(\text{constant cost factor} \times \text{actual consumption or winter average}) \div 625 \text{ cu. ft.}]$$

$$\$11.00 + [(\$60.00 \times 625 \text{ cu. ft.}) \div 625 \text{ cu. ft.}] = \$71.00$$

However, it is important to note that if the actual summer water consumption is less than the 625 cu. ft/month, the customer would be charged a sewer fee on the actual water consumption. So a customer with less than two months of actual winter month consumption would be charged no more than \$71.00 per month. BUT the charge may be less depending up actual consumption. If the actual usage is less than the 1 ERU of 625 cu. ft., then the customer would be charged for actual consumption. For example, if the actual water consumption is 300 cu. ft. in June, the customer would be charged \$39.80 for sewer for the billing sent out July 1<sup>st</sup>, and not the default amount of \$71.00/month.

Example

$$\text{Base fee} + [(\text{constant cost factor} \times \text{actual consumption or winter average}) \div 625 \text{ cu. ft.}]$$

$$\$11.00 + [(\$60.00 \times 300 \text{ cu. ft.}) \div 625 \text{ cu. ft.}] = \$39.80$$

Having a default rate will allow staff to be fair to new customers without an actual history usage while irrigating outside areas. The Ordinance change is effective beginning with the July water usage. Staff will continue with past practice to applicable accounts for May and June.

It is not anticipated there will be a large fiscal impact; any possible decrease in revenue will be offset by customer goodwill.

Councilor DeeDee Murphy motioned to adopt an Ordinance amending Chapter 3.12 of the Municipal Code.

Councilor Linda McCollum seconded the motion.

MOTION:

that the City Council adopt an Ordinance amending Chapter 3.12 of the Municipal Code.

VOTE:

AYES         6                              NAYES         0

(Mayor Keith Tymchuk, Councilors Barth, Murphy, McCollum, Essig, Wall-Meyer and voted in favor of the motion.)

Mayor Tymchuk declared the motion passed unanimously.

F. Shall the City Council award a lease contract for two digital copiers at City Hall?

Finance Director Vera Koch said that the digital copiers being used in city hall currently had contracts for a period of 48 months and has recently expired. Staff issued an RFP for leasing two new digital copiers for use at city hall. With the fast changing technology in electronic equipment, it has become more cost effective to lease copiers rather than purchase the copiers. Leasing is easier to budget as it does not require a large sum of money to be paid up front. At the end of the lease period, the copiers are returned or contracts may be extended if the machines are functioning well. The contract leasing is especially beneficial when copiers have not performed at maximum during the lease years and the City does not end up owning a troublesome piece of equipment.

Four vendors have responded with quotes for the copiers as well as maintenance agreements. The copier cost is for two copiers for the period of the proposed lease. The maintenance is figured on an estimated number of copies to be printed during the life of the contract times a per copy price. The maintenance contract includes all toner, replacement parts, and labor for the length of the contract on both copiers. It is an estimated cost as it is driven by the actual number of copies printed. It could be greater or lesser in actual cost.

<b>Vendor</b>	<b>Lease period</b>	<b>Copier Lease</b>	<b>Est. maintenance</b>
Bay Area Copier	60 month lease	\$19,230	\$ 9,885
Pacific Office Systems	60 month lease	\$19,513	\$13,200
Canon Solutions America	48 month lease	\$19,547	\$11,024
Pacific Office Automation	60 month lease	\$21,504	\$ 8,350

If the contract is awarded to Bay Area Copier, the estimated average yearly cost will be \$5,823. The current average yearly cost for the last five years has been about \$8,625. An estimated savings of \$2,800 per year is anticipated.

Councilor Frank Barth motioned to award a lease contract for two digital copiers at City Hall and authorize the City Manager to sign on behalf of the City.

Councilor DeeDee Murphy seconded the motion.

**MOTION:**

that the City Council award a lease contract for two digital copiers at City Hall and authorize the City Manager to sign on behalf of the City.

**VOTE:**

AYES     6                          NAYES     0

(Mayor Keith Tymchuk, Councilors Barth, Murphy, McCollum, Essig, Wall-Meyer and voted in favor of the motion.)

Mayor Tymchuk declared the motion passed unanimously.

G. Shall the City Council appoint a member to the Planning Commission?

Councilor Kathi Wall-Meyer motioned to appoint Ms. Debra Yates to the Planning Commission with a term expiration of December 31, 2015.

Councilor Diane Essig seconded the motion.

MOTION:

that the City Council appoint Ms. Debra Yates to the Planning Commission with a term expiration of December 31, 2015.

VOTE:

AYES 6 NAYES 0

(Mayor Keith Tymchuk, Councilors Barth, Murphy, McCollum, Essig, Wall-Meyer and voted in favor of the motion.)

Mayor Tymchuk declared the motion passed unanimously.

7. MISCELLANEOUS ITEMS  
(Mayor, Councilors, City Manager, City Attorney)

A. Update on Winchester Ave. Rail crossing project.

City Manager Jonathan Wright gave an update on the Winchester Ave. Rail crossing project. He said that the project is ready to go out to bid after 2 ½ years according to the Port of Coos Bay, the project managers. Bids are due on June 25<sup>th</sup>. He said that the City of Reedsport turned over money toward the project and has been unable to apply for Small City Grants through ODOT until this project is complete.

B. Discussion regarding temporary chainsaw carving placements.

City Manager Jonathan Wright said that he has been approached by the Chainsaw Carving Placement Committee concerning temporarily placing chainsaw carvings in public right-of-ways during the Chainsaw Festival.

Concern was raised from Council about the short time frame, where they would be placed and City time and equipment that would be needed to place them and then retrieve them.

Councilor Frank Barth said that there are a lot of them on display already.

Council consensus was that it was too short of a timeframe to execute. If the Committee wanted to come back next year sooner and layout a plan the Council would be favorable to that.

City Manager Jonathan Wright gave an overview of the Urban Renewal Advisory Committee meeting recently conducted. He said that the committee created a Mission statement and asked that staff research stormwater mitigation projects as proposed by contract engineer Joel Smith. He then listed potential projects, including tide and slide gates, retention ponds and new lines. The projects will be presented to the Urban Renewal Agency for expenditure allocation.

Wright said that he realizes that there were studies done by Dyer Partnership in the past but that their proposed solution while is a good idea is really expensive and is more than the community can afford. He said that the new proposals are alternate solutions.

Mayor Keith Tymchuk requested that the proposals be discussed in Work Session of the next City Council meeting.

Mr. Wright also mentioned that the URDAC has also decided to move forward with exploring the Oregon Mainstreet Program. He said that it has been looked at in the past but was put on hold. There will be a community meeting from 6:00pm to 7:30pm on Wednesday the 26<sup>th</sup> of June in the City Council Chambers to join with a representative of the program and see if the City is interested in moving forward with the project.

8. EXECUTIVE SESSION OF THE REEDSPORT CITY COUNCIL, MAY 6, 2013 CITY HALL COUNCIL CHAMBERS.

PRESENT: Mayor Keith Tymchuk, Councilors Frank Barth, DeeDee Murphy, Linda McCollum, Kathi Wall-Meyer, and Diane Essig

City Manager Jonathan Wright

Attorney Steve Miller

OTHERS PRESENT: Deanna Schafer, Vera Koch, Steve Lindsey (Umpqua Post)

Pursuant to ORS 192.660(2)(e) – To conduct deliberations with persons designated by the governing body to negotiate real property transactions.

Pursuant to ORS 192.660(2)(h) – To consult with counsel concerning the legal rights and duties of a public body with regard to current litigation or litigation likely to be filed.

9. OPEN SESSION

Councilor Diane Essig motioned to approve the collective bargaining agreement between the Teamsters Local 206 and the City of Reedsport for the period of July 1, 2013 to June 30, 2016 and authorize the City Manager to sign the document.

Councilor Linda McCollum seconded the motion.

MOTION:

that the City Council approve the collective bargaining agreement between the Teamsters Local 206 and the City of Reedsport for the period of July 1, 2013 to June 30, 2016 and authorize the City Manager to sign the document.

VOTE:

AYES 6 NAYES 0

(Mayor Keith Tymchuk, Councilors Barth, Murphy, McCollum, Essig, and Wall-Meyer voted in favor of the motion.)

Mayor Tymchuk declared the motion passed unanimously.

Councilor DeeDee Murphy motioned to approve a Memorandum of Understanding between the City of Reedsport and the International Association of Machinists and Aerospace Workers – Woodworkers Local Lodge W261 made part of the Collective Bargaining Agreement executed on July 15, 2011 and authorize the City Manager to sign the document.

Councilor Linda McCollum seconded the motion.

MOTION:

that the City Council approve a Memorandum of Understanding between the City of Reedsport and the International Association of Machinists and Aerospace Workers – Woodworkers Local Lodge W261 made part of the Collective Bargaining Agreement executed on July 15, 2011 and authorize the City Manager to sign the document.

VOTE:

AYES 6 NAYES 0

(Mayor Keith Tymchuk, Councilors Barth, Murphy, McCollum, Essig, and Wall-Meyer voted in favor of the motion.)

Mayor Tymchuk declared the motion passed unanimously.

Council gave direction to the City Manager to send out a one page synopsis of the wastewater rate issues between the City of Reedsport and the Gardiner Sanitary District to the rate payers of Gardiner.

10. ADJOURN

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

ATTEST:

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