

MINUTES OF THE REEDSPORT CITY COUNCIL REGULAR SESSION FEBRUARY 2, 2015 7:00 P.M. CITY HALL COUNCIL CHAMBERS

PRESENT: Mayor Linda McCollum
Councilors Rich Patten, Frank Barth, DeeDee Murphy, Diane Essig and Debby Turner
City Manager, Jonathan Wright
City Attorney, Steve Miller was absent

OTHERS PRESENT: Vera Koch, Deanna Schafer, Diane, Novak, John Stokes, Chief Duane Wisheart, Christopher Damitio, Ed Armstrong, Joann Patten, Kathi Wall-Meyer, Allen Teitzel, Elizabeth Nelson, Lee Bridge, Debbie McKinney, Steve Lindsley (Umpqua Post)

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.

2. PRESENTATIONS, PROCLAMATIONS, AWARDS

Councilor DeeDee Murphy presented the 2014 advertisement fund report on behalf of the Chamber of Commerce.

Chief Duane Wisheart gave a report on a grant that he received from Three Rivers Foundation. He said that the money will fund a state of the art camera system that will transmit images from Lion's Park to the Police Department. This will enable monitoring of the park, the food pantry and the intersection at 20th Street. The goal is to cut down on vandalism and improve safety of the area.

3. APPROVAL OF THE AGENDA

Councilor Diane Essig motioned to approve the Agenda.

Councilor Frank Barth seconded the motion.

MOTION:

that the City Council approve the Agenda.

VOTE:

AYES _____ 6 _____ NAYES _____ 0 _____

(Mayor Linda McCollum, Councilors Frank Barth, Essig, Murphy, Patten and Turner voted in favor of the motion.)

Mayor Linda McCollum declared the motion passed unanimously.

4. PUBLIC HEARINGS

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 work session of January 2, 2015.
- B. Approve minutes of the regular session of January 2, 2015.
- C. Shall the City Council adopt a Resolution appointing municipal judges Pro Tempore, and setting terms for appointment and assign 2014-002?

The City of Reedsport Charter of 2006 provides that the City Council may, as needs dictate, appoint one or more Municipal Judges Pro Tempore. The most recent appointments for Municipal Judge Pro Tempore were Mr. Dan Hinrichs, Ms. Sharon Mitchell and Ms. Jeanne Plagmann (limited assignment) which expired on December 31, 2014.

The Honorable Dan Hinrichs and Honorable Sharon Mitchell have agreed to continue to serve as a Municipal Judge Pro Tempore for the City of Reedsport. The Honorable Cindy Cable has also agreed to serve as a Municipal Judge Pro Tempore.

In addition, Ms. Jeanne Plagmann, the City of Reedsport Court Clerk, desires to continue to serve as limited Municipal Judge Pro Tempore.

A proposed Resolution has been drafted, appointing Mr. Dan Hinrichs, Ms. Sharon Mitchell and Ms. Cindy Cable as Municipal Judges Pro Tempore, and Ms. Jeanne Plagmann as limited Municipal Judge Pro Tempore.

It is recommended that the City Council adopt a Resolution making these appointments with terms to expire on December 31, 2016, a two year term; and that Resolution 2015-002 be assigned as the title.

There is no fiscal impact; Municipal Judges Pro Tempore would be paid according to the current contract.

1. **Adopt a Resolution appointing Mr. Dan Hinrichs, Ms. Sharon Mitchell and Ms. Cindy Cable as Municipal Judge Pro Tempore, and Ms. Jeanne Plagmann as limited Municipal Judge Pro Tempore, with terms to expire on December 31, 2016; and assign Resolution 2015-002 as the title.**

D. Shall the City Council adopt agreement #30487, a flexible service agreement between ODOT and the City?

In the past and currently, the City of Reedsport and Oregon Department of Transportation (ODOT) have provided work exchange for each other. Both ODOT and the City of Reedsport have determined that it is both to their mutual benefit and to the general public's benefit if they jointly utilize maintenance resources, including equipment and operators.

In order to formalize this agreement, ODOT is asking the City to enter into a multi-year written agreement which outlines how the sharing of resources will be obtained and terms for its use. Staff has reviewed the attached and is in agreement with the terms and provisions listed.

Any fiscal impact will be on a project by project basis. Historically, the agreement is in place for the benefit of both ODOT and the City and has been beneficial fiscally and practically to both entities.

1. **Approve the multi-year Flexible Maintenance Services Contract which will benefit both entities.**

E. Motion to approve the Consent Calendar.

Councilor DeeDee Murphy motioned to approve the Consent Calendar.

Councilor Diane Essig seconded the motion.

MOTION:

that the City Council approve the Consent Calendar.

VOTE:

AYES 6 NAYES 0

(Mayor Linda McCollum, Councilors Barth, Essig, Murphy, Patten and Turner voted in favor of the motion.)

Mayor Linda McCollum declared the motion passed unanimously.

6. GENERAL BUSINESS

- A. Shall the City Council adopt a Resolution creating DEQ loan stipulations and assign 2015-003 as the title?

City Manager Jonathan Wright said that at the December 2014 regular City Council, the Reedsport City Council directed staff to begin the refinance process. To ensure that the debt is paid off as soon as practicable and yet maintain a balance capable of carrying the City through to the retirement of the loan, Council opted to apply a hybrid approach. In this approach, the City would assume the longest term offered by DEQ and use a portion of the budget surplus created by the lower annual payment to buy down the principal, ensuring early payoff. This technique will only be implemented so long as wastewater fund revenues continue to provide a surplus capable of supporting this methodology. Therefore, in addition to the debt service required by the loan, the annual additional principal payments would be as follows:

AMOUNT	DURATION
\$100,000	Year 1-7
\$50,000*	Year 8-End

* The amount is reduced after year seven (7) to offset the future increases in the cost of goods and services.

It is estimated that this approach will result in the loan being retired up to three years ahead of schedule.

When compared to the City's current loan, the new loan and hybrid repayment method should save the community around \$500,000 in interest and loan fees.

Councilor Diane Essig motioned to adopt a Resolution creating DEQ loan stipulations and assign 2015- 003 as the title.

Councilor DeeDee Murphy seconded the motion.

MOTION:

that the City Council adopt a Resolution creating DEQ loan stipulations and assign 2015- 003 as the title.

VOTE:

AYES 6 NAYES 0

(Mayor Linda McCollum, Councilors Barth, Essig, Murphy, Patten and Turner voted in favor of the motion.)

Mayor Linda McCollum declared the motion passed unanimously.

- B. Shall the City Council approve the selection of the firm Anderson Perry & Associates, Inc. for the City Levee Certification project and authorize staff to proceed with requesting a cost proposal from Anderson Perry for the various phases of the Levee Certification project?

Public Works Director John Stokes said that at the November 3, 2014 City Council meeting, the Council authorized staff to proceed with the Request for Qualification (RFQ) process in order to identify and ultimately obtain a Levee Certification consultant. The RFQ was then issued and advertised during the month of November to which 4 Statements of Qualifications (SOQ) were submitted by consultants back to the City in December, 2014. The SOQ's were distributed to the review panel which consisted of the City Manager (Jonathan Wright), Public Works Director (John Stokes), City Recorder (Deanna Schafer), then Mayor Elect (Linda McCollum) and Councilor Frank Barth for review. On Tuesday, January 6, 2015 the panel convened to review, discuss and rank each of the SOQ's in order for a selection to be made. After the subsequent grading, Anderson Perry & Associates was ranked the highest.

If approved by the City Council, Staff will work with Anderson Perry & Associates to develop a Request for Proposal (RFP) to determine the costs associated with the components of the Levee Certification project. Those costs will need to be evaluated for funding and reviewed/approved through City Council prior to issuance of one or more task orders.

Selecting Anderson Perry as the Levee Certification firm does not financially nor contractually obligate the City. Only the issuance of a task order will financially obligate the City. One or more task orders will not be issued until the Request for Proposal process has been completed, pricing agreed to and the City Council has been thoroughly briefed and is in agreement to funding and implementation strategy.

Councilor Frank Barth motioned to approve Anderson Perry & Associates as the Levee Certification consultant and authorize staff to proceed with the Request for Proposal process.

Councilor Debbie Turner seconded the motion.

MOTION:

that the City Council approve Anderson Perry & Associates as the Levee Certification consultant and authorize staff to proceed with the Request for Proposal process.

VOTE:

AYES 6 NAYES 0

(Mayor Linda McCollum, Councilors Barth, Essig, Murphy, Patten and Turner voted in favor of the motion.)

Mayor Linda McCollum declared the motion passed unanimously.

C. Shall the City Council appoint a person to fill the vacant City Council Position #3?

City Manager Jonathan Wright said that do to the election of Ms. Linda McCollum to the position of Mayor in the 2014 General election, a vacancy has been created on the Reedsport City Council. The position (#3) was advertised as a vacant position both in the media and on the City website with a closing date of Friday January 23rd, 2015.

Two qualified applications were received. One from Ms. Leslee Collier and one from Mr. Christopher "Vago" Damitio.

Councilor Diane Essig expressed appreciation for both of the applicants. The Council was split on who they preferred.

Councilor Diane Essig motioned to appoint Ms. Leslee Collier to fill the vacated City Council Position #3.

Councilor Rich Patten seconded the motion.

MOTION:

that the City Council appoint Ms. Leslee Collier to fill the vacated City Council Position #3.

VOTE:

AYES 4 NAYES 2

(Mayor Linda McCollum, Councilors Essig, Murphy, and Patten voted in favor of the motion.)(Councilors Barth and Turner voted in opposition.)

Mayor Linda McCollum declared the motion passed.

- D. Shall the City Council approve an Intergovernmental Agreement with Douglas County for acceptance of leachate from the Douglas County Landfill?

City Manager Jonathan Wright said that the County has requested that leachate, generated from the Reedsport landfill site on Schofield Rd., be conveyed to the City's sewer system for treatment. Leachate is a byproduct of landfills that is caused by rainwater passing through the decomposing rubbish contained within the landfill. Leachate contains organic and chemical particles that must be processed through a sewage treatment facility in order to meet the Department of Environmental Quality (DEQ) requirements.

This Inter Governmental Agreement (IGA) is the second of two contracts, the first IGA was to memorialize the commitment of the County to fund the replacement of approximately 800 feet of sewer line on Elm Street (from 2nd Street east past the Crestview cutoff). The existing 6 inch line is in bad shape and will need to be upsized this summer to an 8 inch line in order to take the additional effluent proposed to be conveyed via a pipeline along Hwy 38.

This second IGA memorializes the terms under which the City will accept the leachate. In order to get to this point, the City had to generate a leachate acceptance plan and demonstrate to the DEQ that the leachate would not cause issues with the collection system or the treatment plant function. According to the report, the effects on the wastewater collection system and treatment plant should be negligible.

There is concern that the County project may interfere with the ODOT overlay and pedestrian improvement project in the City's downtown area. Staff recommends that the City Council attach a condition that requires the County to provide the City with a letter stating the County project will in no way hinder or interfere with the ODOT project.

The City will receive \$150,000 from system development charges and per gallon charge for processing the leachate the same as the City's metered customers do for sewer service.

Councilor Diane Essig motioned to conditionally accept the IGA between the City and the County so long as the County can provide evidence that their project will not interfere with existing ODOT project slated to occur in 2016-2017 and authorize the Mayor to sign all documents.

Councilor DeeDee Murphy seconded the motion.

MOTION:

that the City Council conditionally accept the IGA between the City and the County so long as the County can provide evidence that their project will not interfere with existing ODOT project slated to occur in 2016-2017 and authorize the Mayor to sign all documents.

VOTE:

AYES 6 NAYES 0

(Mayor Linda McCollum, Councilors Barth, Essig, Murphy, Patten and Turner voted in favor of the motion.)

Mayor Linda McCollum declared the motion passed unanimously.

- E. Shall the City Council enter into a Leachate Treatment Agreement with International Paper (IP) for acceptance of leachate from the International Paper property in Gardiner via the Gardiner Sanitary District's collection system?

Public Works Director, John Stokes, said that International Paper (IP) is desiring to properly dispose of its non-hazardous, leachate from the landfill at the now closed Gardiner facility. In order to facilitate this action, IP will need to discharge the leachate directly into the Gardiner sewer system at a consistent rate so as not to overwhelm the infrastructure and not exceed the annual amount identified in an approved Leachate Acceptance Plan. Staff has structured, and IP has agreed to, the Leachate Acceptance Plan so the processing of the leachate will not compromise the City's National Pollutant Discharge Elimination System (NPDES) permit. Further, it is not anticipated that the leachate processed will in any way affect the operation or quality of the City Waste Water Treatment Plant.

As IP is a user that will be discharging leachate into the Gardiner sewer system, the City will process invoicing to IP on behalf of Gardiner based on a rate structure that has been developed by the Gardiner Sanitary District. If the City Waste Water Treatment Plant has a noticeable and verifiable increase in processing volume beyond the anticipated amount, the City will subsequently invoice Gardiner for such increase.

Councilor Frank Barth motioned to approve and enter into the Leachate Treatment Agreement with International Paper Company and authorize the Mayor to sign all documents.

Councilor Debbie Turner seconded the motion.

MOTION:

that the City Council approve and enter into the Leachate Treatment Agreement with International Paper Company and authorize the Mayor to sign all documents.

VOTE:

AYES 6 NAYES 0

(Mayor Linda McCollum, Councilors Barth, Essig, Murphy, Patten and Turner voted in favor of the motion.)

Mayor Linda McCollum declared the motion passed unanimously.

F. Financial Report.

Finance Director Vera Koch presented the following financial report:

General Fund 001

	Budget	Actual		
Beginning Fund Balance	\$751,555	\$994,498	132.33%	
Revenue	\$2,207,505	\$1,614,045	73.12%	Received
*Expenditures	\$2,649,060	\$1,107,429	41.80%	Expended

*(less unappropriated expenditures)

Street Fund 002

	Budget	Actual		
Beginning Fund Balance	\$80,000	\$85,265	106.58%	
Revenue	\$274,900	\$136,198	49.54%	Received
*Expenditures	\$354,900	\$151,167	42.59%	Expended

*(less unappropriated expenditures)

Water Utility Fund 003

	Budget	Actual		
Beginning Fund Balance	\$250,000	\$290,685	116.27%	
Revenue	\$822,000	\$417,568	50.80%	Received
*Expenditures	\$1,072,000	\$528,954	49.34%	Expended

*(less unappropriated expenditures)

Wastewater Utility 004

	Budget	Actual		
Beginning Fund	\$360,000	\$376,361	104.54%	

Balance				
Revenue	\$1,939,500	\$919,103	47.39%	Received
*Expenditures	\$2,299,500	\$969,360	42.16%	Expended
*(less unappropriated expenditures)				

**Stormwater Utility Fund
005**

	Budget	Actual		
Beginning Fund Balance	\$16,000	\$41,200	257.50%	
Revenue	\$93,450	\$46,994	50.29%	Received
*Expenditures	\$109,450	\$43,264	39.53%	Expended
*(less unappropriated expenditures)				

**Bicycle/footpath Fund
007**

	Budget	Actual		
Beginning Fund Balance	\$38,000	\$37,859	99.63%	
Revenue	\$2,400	\$1,280	53.33%	Received
*Expenditures	\$40,400	\$4,000	9.90%	Expended

Water SPWF Loan Debt Fund 010

	Budget	Actual		
Beginning Fund Balance	\$81,800	\$81,850	100.06%	
Revenue	\$22,700	\$5,221	23.00%	Received
*Expenditures	\$104,500	\$20,602	19.71%	Expended
*(less unappropriated expenditures)				

Water Filtration Debt/Reserve Fund 011

	Budget	Actual		
Beginning Fund Balance	\$11,225	\$11,224	99.99%	
Revenue	\$116,510	\$116,506	100.00%	Received
*Expenditures	\$127,735	\$127,730	100.00%	Expended
*(less unappropriated expenditures)				

Wastewater DEQ Loan Debt Fund 012

	Budget	Actual		
Beginning Fund Balance	\$527,000	\$527,821	100.16%	
Revenue	\$824,000	\$412,456	50.06%	Received
*Expenditures	\$821,700	\$410,848	50.00%	Expended
*(less unappropriated expenditures)				

Wastewater OECD Loan Debt Fund 013

	Budget	Actual		
Beginning Fund	\$100,600	\$100,668	100.07%	

Balance				
Revenue	\$154,500	\$77,350	50.06%	Received
*Expenditures	\$154,250	\$154,247	100.00%	Expended
*(less unappropriated expenditures)				

**Fire Equipment Fund
014**

	Budget	Actual		
Beginning Fund Balance	\$126,000	\$130,351	103.45%	
Revenue	\$27,190	\$12,537	46.11%	Received
*Expenditures	\$153,190	\$19,104	12.47%	Expended
*(less unappropriated expenditures)				

Dunes NRA Fund 016

	Budget	Actual		
Beginning Fund Balance	\$101,000	\$101,538	100.53%	
Revenue	\$100,810	\$54,501	54.06%	Received
*Expenditures	\$201,810	\$50,801	25.17%	Expended
*(less unappropriated expenditures)				

Riverfront Fund 017

	Budget	Actual		
Beginning Fund Balance	\$36,130	\$41,358	114.47%	
Revenue	\$118,235	\$66,538	56.28%	Received
*Expenditures	\$154,365	\$60,635	39.28%	Expended

Library Renovation Fund 018

	Budget	Actual		
Beginning Fund Balance	\$42,000	\$32,298	76.90%	
Revenue	\$0	\$4	100.00%	Received
*Expenditures	\$42,000	\$23,407	55.73%	Expended

Sys. Development Fund Water 020

		Actual		
Beginning Fund Balance	\$70,480	\$70,485	100.01%	
Revenue	\$300	\$161	53.67%	Received
*Expenditures	\$70,780	\$0	0.00%	Expended

Sys. Development Fund Wastewater 021

	Budget	Actual		
Beginning Fund Balance	\$132,800	\$132,806	100.00%	
Revenue	\$500	\$303	60.60%	Received

*Expenditures	\$133,300	\$0	0.00%	Expended
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System Development Fund Stormwater 022

	Budget	Actual		
Beginning Fund Balance	\$6,020	\$6,029	100.15%	
Revenue	\$20	\$14	70.00%	Received
*Expenditures	\$6,040	\$0	0.00%	Expended

Enterprise Cap. Improve. Fund -Sewer 024

	Budget	Actual		
Beginning Fund Balance	\$1,440,000	\$1,440,371	100.03%	
Revenue	\$272,950	\$137,686	50.44%	Received
*Expenditures	\$1,712,950	\$1,085	0.06%	Expended

General Capital Improve. Fund 025

	Budget	Actual		
Beginning Fund Balance	\$230,000	\$237,879	103.43%	
Revenue	\$138,050	\$70,128	50.80%	Received
*Expenditures	\$308,050	\$34,810	11.30%	Expended

*(less unappropriated expenditures)

Street Capital Fund 026

	Budget	Actual		
Beginning Fund Balance	\$418,000	\$418,232	100.06%	
Revenue	\$172,150	\$111,483	64.76%	Received
*Expenditures	\$590,150	\$126,254	21.39%	Expended

*(less unappropriated expenditures)

Storm Capital Fund 027

	Budget	Actual		
Beginning Fund Balance	\$130,000	\$132,079	101.60%	
Revenue	\$31,125	\$15,855	50.94%	Received
*Expenditures	\$161,125	\$158	0.10%	Expended

*(less unappropriated expenditures)

Water Enterprise Capital Improvement Fund 029

	Budget	Actual		
Beginning Fund Balance	\$1,350,000	\$1,363,556	101.00%	
Revenue	\$254,690	\$109,816	43.12%	Received
*Expenditures	\$1,604,690	\$9,195	0.57%	Expended

*(less unappropriated expenditures)

Reedsport Urban Renewal District. Fund 150

	Budget	Actual		
Beginning Fund Balance	\$274,000	\$308,849	112.72%	
Revenue	\$83,825	\$73,128	87.24%	Received
Expenditures	\$357,825	\$12,544	3.51%	Expended

URD MainStreet Fund 151

	Budget	Actual		
Beginning Fund Balance	\$0	\$0	0.00%	
Revenue	\$68,000	\$19,522	28.71%	Received
Expenditures	\$68,000	\$11,615	17.08%	Expended

7. MISCELLANEOUS ITEMS

City Manager Jonathan Wright said that there has been interest in leasing the Unical property that the City owns on Highway 101. He said that to be fair the City should advertise the property for lease and see if there is any other interest. Councilors had no objections to advertising the property and if there are no other interests, to create a draft lease with this party.

He also gave an update on a HUD CDBG disaster resilience grant program that the City of Reedsport may qualify for. The State will hold a public hearing on the 23rd of February.

He requested permission to draft a letter of support for small harbor dredging, Council granted.

He mentioned that there is movement at the legislative level to require Municipal Courts to become Courts of Record. This would increase administrative costs because there would be staff recording required and all Judges would need to be members of the bar.

Mr. Ron Dukovich was named the employee of the month for his willingness to do what it takes to get the job done.

Councilor DeeDee Murphy said that the Umpqua Discovery Center will be the first location for a Chamber after-hours event.

Mayor Linda McCollum said that River Bend Mobile Park will be meeting on Wednesday at 6:00pm to discuss their private levee.

EXECUTIVE SESSION

~~A. 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.~~

Executive Session was canceled due to lack of legal counsel.

ADJOURN

Mayor, Linda McCollum

ATTEST:

Deanna Schafer, City Recorder