

MINUTES OF THE REEDSPORT CITY COUNCIL REGULAR SESSION AUGUST 3,
2015 7:00 P.M. CITY HALL COUNCIL CHAMBERS

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

OTHERS PRESENT: Vera Koch, Deanna Schafer, John Stokes, Chief Duane Wisehart, Trent Carpenter, Pat Fahey, Christy Schafer, Karin Waggoner, Gary Waggoner, Norm Johnson, Kathy Johnson, Ron Schafer, Victoria Lavalley, Mike Lanegan, Bruce Harris, Rick Rockholt, Don Laskey, Dave Harris, Donna Train, Mike Train, Elizabeth Nelson, Gail Adamson, Dennis Swartz, Mike Waggoner, Phyllis Waggoner, Nancy Lee, Allen Teitzel, Kathi Wall-Meyer, Debbie McKinney, and Deborah Yates

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.

Dennis Swartz spoke of the injustices he has been dealt at the hands of the local law enforcement, mostly Douglas County deputies which he reports perform “serious crimes”.

Kathy Johnson read a prepared letter in opposition of the City of Reedsport sale of City property to McKenzie River Trust. The following list of citizens also spoke in opposition of the sale:

Gary Waggoner
Don Laskey Sr.
Mike Lanegan
Norm Johnson
Donna Train
Allan Teitzle

Mike Waggoner spoke in opposition of the sale of property and also gave history on the placement of the Steam Donkey.

Nancy Lee asked that it be noted that City Manager Jonathan Wright said, in the Work Session (pg 12), that the proceeds from the sale of the property would be used as a

match for other grant funds for levee certification. Ms. Lee said that she is noting this because something similar was said in the Regular Session that was not included in the minutes. She said that on page 17 of the Regular Session minutes she would like Mr. Collier's statement to include that this was also noted.

City Manager Jonathan Wright clarified that she wanted a statement added to the Regular Session minutes to include that Mr. Collier stated that Jonathan had also told him that the funds from the sale of the property would be used as matching funds for grants towards Federal grants.

Kathi Wall-Meyer spoke on behalf of the Farmers Market, the baskets and planters and the need of new signage for the old town district. She said that there will be an Old Town Reedsport Merchants Association meeting on Tuesday, August 4th at 7:00pm at the Library. One of the issues on the agenda will be the signage issue. She cited a survey completed a few year ago that listed how many square feet of signage other Cities have. She said that there are 27 members of the OTRMA.

3. PRESENTATIONS, PROCLAMATIONS, AWARDS

A. Reedsport Resiliency Plan for HUD Grant Funding.

City Manager Jonathan Wright reported on a workshop he attended in Denver, Colorado at the Rockefeller Foundation to gather information on what it will take for the City of Reedsport to capitalize on funding that the City and one other City in Oregon qualify for. One of the biggest issues that the City is facing is the levee certification. The City has been working on this issue with new regulations and conditions since 2006. He gave a brief overview of why the City needs to have the levee certified and what the consequences of not having it completed.

4. APPROVAL OF THE AGENDA

City Manager Jonathan Wright requested that a Resolution to apply for a Small Cities Allotment grant be added to the agenda.

Councilor Diane Essig motioned to approve the Agenda as amended.

Councilor Debby Turner seconded the motion.

MOTION:

that the City Council approve the Agenda as amended.

VOTE:

AYES 7 NAYES 0

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

Mayor Linda McCollum 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 July 6, 2015.
- B. Approve minutes of the regular session of July 6, 2015.
- C. Shall the City Council approve issuing two contracts for as-needed engineering services?

On July 6, 2015, the City Council approved the selection of firms of SHN Engineers & Geologists, Inc. and Dedekind Engineering, LLC to perform on-call/as-needed consulting, engineering, assessment, etc. services to the City. Directly after the July 6th approval, Staff produced formal contract language and requested insurance and hourly rates. Both consulting firms have reviewed, made minor but reasonable alterations to the contract as well as have provided their insurance and rates. The information is acceptable to staff and is it recommended that both contracts be approved.

If approved by the City Council, Staff will begin to work with both firms to develop scope and issue Notices to Proceed/Task Orders regarding the City's ongoing and upcoming project needs.

Notices to Proceed/Task Orders will not be issued to either consultant without first receiving a proposal based on a defined scope of work. Funding specific to the project will be allocated prior to any Notice to Proceed/Task Order is issued. There are no financial obligations to the City with regard to the maintenance of the contract and there are no commitments of minimum work to be assigned to either firm.

*That the City Council approve two contracts for SHN Engineers & Geologists, Inc. and Dedekind Engineering, LLC for as needed engineering services.

D. Motion to approve the Consent Calendar.

Councilor Debby Turner motioned to approve the Consent Agenda.

Councilor Leslie Collier seconded the motion.

MOTION:

that the City Council approve the Consent Agenda.

VOTE:

AYES 7 NAYES 0

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

Mayor Linda McCollum declared the motion passed unanimously.

7. GENERAL BUSINESS

- A. Shall the City Council adopt a Resolution setting rates for Southern Oregon Sanitation service?

Pat Fahey of Southern Oregon Sanitation (SOS) who holds the exclusive franchise for solid waste collection and disposal within the City of Reedsport, said that he has been in the business for 23 years and during that time Douglas County has not charged for the trash collected at any landfill or transfer site in Douglas County.

On June 22, 2015 the Douglas County Board of Commissioners passed an Ordinance adopting Solid Waste Disposal Fees at all Landfills and transfer sites in Douglas County. To offset these new fees SOS has requested an increase to the current rate structure. The last rate increase was effective March 1, 2010.

Resolution 2015-017 has been drafted providing for a requested rate increase.

The new rate structure will affect the City of Reedsport accounts according to services provided. In anticipation of Douglas County setting a fee, the 2015/2016 budget document was adjusted accordingly.

A birthday song was sung to City Attorney Steve Miller.

Councilor DeeDee Murphy motioned to adopt a Resolution providing for an increase in the solid waste collection and disposal rate, and that Resolution 2015-017 is assigned as the title.

Councilor Rich Patten seconded the motion.

MOTION:

that the City Council adopt a Resolution providing for an increase in the solid waste collection and disposal rate, and that Resolution 2015-017 is assigned as the title.

VOTE:

AYES 7 NAYES 0

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

Mayor Linda McCollum declared the motion passed unanimously.

- B. Shall the City Council adopt a resolution setting forth amendments to the City of Reedsport Charter of 2006 allowing voters to decide matters of rates or tax?

City Manager Jonathan Wright said that since 1997, 122 measures failed due to the State's double majority requirement, 61 of the measures would have passed even if all of the nonvoters had turned out and cast a "no" ballot. This issue is especially problematic for small municipalities who struggle each election to get voters to participate. In 2007, this issue prompted the legislature to take action and propose a measure to eliminate the voter turnout requirements for local property tax and bond measures decided in May and November. In 2008, this measure was put before the voters as Measure 56 and passed.

In 2012, the Reedsport City Charter was amended Ballot Measure 10-119. This measure included the more restrictive pre Measure 56 language requiring a double majority on all fees, utility rates and taxes. The only time this restriction would not apply is in a "general election on an even numbered year." In other words, the City gets a pass on the restriction every two years. Under Oregon State Statute, fees, rates and certain taxes do not require a vote of the people; making this requirement unique to Reedsport. While it is not the intent of Staff to undermine the intent of 10-119 (Voter Approval) In a community that struggles with voter turnout, the double majority provision makes conducting necessary business problematic.

The issue came to light last May when the City proposed ballot measure 10-136. This measure proposed to use saving from refinancing the City's DEQ loan and apply it to the Stormwater rates in order to begin the mandated levee certification process for FEMA. This measure would also allow the Council to maximize savings from refinancing

and ensure that the City can continue to meet its debt obligation. The measure passed with a strong majority; however fell short of the double majority requirement.

With the assistance of legal counsel, Staff now proposes a resolution that, if approved, will refer a question to the voters in order to eliminate the double majority provision from Article 45 of the Reedsport Charter.

There is no fiscal impact.

Councilor Leslie Collier motioned to adopt a resolution referring a question to be voted upon by the people of Reedsport and assign 2015-018 as the title

Councilor Debby Turner seconded the motion.

MOTION:

that the City Council adopt a resolution referring a question to be voted upon by the people of Reedsport and assign 2015-018 as the title

VOTE:

AYES 7 NAYES 0

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

Mayor Linda McCollum declared the motion passed unanimously.

- C. Shall the City Council adopt a resolution allowing the City of Reedsport to apply for grant/loan funding from the Infrastructure Finance Authority to help fund levee certification work?

City Manager Jonathan Wright said that the City of Reedsport has been mandated by the Federal Emergency Management Agency to provide certification that the Reedsport Levee System meets the requirements of 44 CFR, Section 65.10 in order to receive FEMA accreditation. If the levee system is not certified, 550 low to medium income households, subsidized housing areas, commercial buildings and governmental offices and shops will be subjected to an estimated 1.5 million dollars annually in flood insurance premiums and development restrictions will effectively curtail any future commercial or industrial development. The City has already conducted extensive engineering and surveying assessments of the system and has compiled the data necessary to conduct the preliminary evaluation for levee certification.

The City's levee system is 50 years old and has suffered considerably from settlement and aging interior piping; therefore, the City is under no illusion that the preliminary engineering study will render results that will need to be addressed prior to final accreditation by FEMA. To address these known defects, City has also applied for HUD disaster resilience funding and is one of only two communities in Oregon that qualifies for this 1 billion dollar funding pool but in order to take advantage of these funds, all preliminary certification assessment must be complete to determine the entire scope and cost of these projects. The City has the qualifying engineering firm poised to expedite the required assessments but needs funding assistance from IFA to be able to take advantage of this once in a lifetime opportunity. Should Reedsport be successful, we will not only achieve accreditation but will be able to enhance the resiliency of our levee system further protecting our community from flooding caused by power outages, pump failure, sea level rise, climate shift and tsunamis.

The application is not to exceed \$1,300,000; however, there are grants from multiple sources that are being applied for that may reduce this expense.

Councilor Diane Essig motioned to adopt a Resolution allowing the City to apply to Infrastructure Finance Authority for a grant/loan package for levee certification work and assign 2015-019 as the title.

Councilor Leslie Collier seconded the motion.

MOTION:

that the City Council adopt a Resolution allowing the City to apply to Infrastructure Finance Authority for a grant/loan package for levee certification work and assign 2015-019 as the title.

VOTE:

AYES 7 NAYES 0

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

Mayor Linda McCollum declared the motion passed unanimously.

- D. Shall the City Council enter into a Cooperating Technical Partners Partnership Agreement with the Federal Emergency Management Agency (FEMA) allowing the City to apply for Federal funding?

City Manager Jonathan Wright said that in order for the City of Reedsport to move forward in HUD Natural Disaster Resilience program the Federal Emergency

Management Agency (FEMA) has requested that the City of Reedsport enter into a Cooperating Technical Partners Partnership agreement.

This partnership encourages strong Federal, State regional and local partnerships for the purposes of reducing hazard losses and disaster assistance. The agreement is for the parties to work together to create and maintain accurate, up-to-date multi-hazard data.

A partnership agreement is required to apply for FEMA grant funding. The City hopes to apply for a grant that will offset around \$100,000 from the requested IFA Loan.

Councilor DeeDee Murphy motioned to enter into a Cooperating Technical Partners Partnership Agreement with FEMA and authorize the Mayor to sign the agreement.

Councilor Debby Turner seconded the motion.

MOTION:

that the City Council enter into a Cooperating Technical Partners Partnership Agreement with FEMA and authorize the Mayor to sign the agreement.

VOTE:

AYES 7 NAYES 0

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

Mayor Linda McCollum declared the motion passed unanimously.

E. Shall the City Council adopt a Resolution applying for a Small Cities Allotment Grant from the Oregon Department of Transportation?

City Manager Jonathan Wright said that this is a grant that the City receives approximately every two years from Oregon Department of Transportation. Most recently Bowman Road was paved with the fund. Prior to that some of the improvements at the Winchester Avenue Railroad Crossing were funded.

Councilor DeeDee Murphy motioned to adopt a Resolution applying for a Small Cities Allotment Grant from the Oregon Department of Transportation.

Councilor Debby Turner seconded the motion.

MOTION:

F. that the City Council adopt a Resolution applying for a Small Cities Allotment Grant from the Oregon Department of Transportation.

VOTE:

AYES 7 NAYES 0

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

Mayor Linda McCollum declared the motion passed unanimously.

G. Receive Quarterly Financial Report.

City Finance Director Vera Koch presented the following financial report:

**2014 / 2015
Financial Report
Presented
August 3, 2015**

target % received/spent
by end of 12th month of
budget year **100%**

**FOURTH Quarter of fiscal year 2014/2015
For period ending JUNE 2015
(Actual totals are not final)**

General Fund 001

	Budget	Actual		
Beginning Fund Balance	\$751,555	\$994,498	132.33%	
Revenue	\$2,207,505	\$2,141,712	97.02%	Received
*Expenditures	\$2,649,060	\$2,119,979	80.03%	Expended

*(less unappropriated expenditures)

Street Fund 002

	Budget	Actual		
Beginning Fund Balance	\$80,000	\$85,265	106.58%	
Revenue	\$274,900	\$282,281	102.68%	Received
*Expenditures	\$354,900	\$293,694	82.75%	Expended

*(less unappropriated expenditures)

Water Utility Fund 003

	Budget	Actual		
Beginning Fund Balance	\$250,000	\$290,685	116.27%	
Revenue	\$822,000	\$820,589	99.83%	Received
*Expenditures	\$1,072,000	\$959,034	89.46%	Expended

*(less unappropriated expenditures)

Wastewater Utility 004

	Budget	Actual		
Beginning Fund Balance	\$360,000	\$376,361	104.54%	
Revenue	\$1,939,500	\$1,834,250	94.57%	Received
*Expenditures	\$2,299,500	\$1,889,428	82.17%	Expended

*(less unappropriated expenditures)

Stormwater Utility Fund 005

	Budget	Actual		
Beginning Fund Balance	\$16,000	\$41,200	257.50%	
Revenue	\$93,450	\$110,070	117.78%	Received
*Expenditures	\$109,450	\$84,190	76.92%	Expended

*(less unappropriated expenditures)

Bicycle/footpath Fund 007

	Budget	Actual		
Beginning Fund Balance	\$38,000	\$37,859	99.63%	
Revenue	\$2,400	\$2,514	104.75%	Received
*Expenditures	\$40,400	\$4,134	10.23%	Expended

Water SPWF Loan Debt Fund 010

	Budget	Actual		
Beginning Fund Balance	\$81,800	\$81,850	100.06%	
Revenue	\$22,700	\$22,735	100.15%	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	\$206,299	25.04%	Received
*Expenditures	\$1,351,000	\$574,597	42.53%	Expended

*(less unappropriated expenditures)

Wastewater OECDD Loan Debt Fund 013

Budget	Actual
---------------	---------------

Beginning Fund Balance	\$100,600	\$100,668	100.07%	
Revenue	\$154,500	\$154,617	100.08%	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	\$28,098	103.34%	Received
*Expenditures	\$153,190	\$23,156	15.12%	Expended
*(less unappropriated expenditures)				

Dunes NRA Fund 016

	Budget	Actual		
Beginning Fund Balance	\$101,000	\$101,538	100.53%	
Revenue	\$100,810	\$102,588	101.76%	Received
*Expenditures	\$201,810	\$93,004	46.08%	Expended
*(less unappropriated expenditures)				

Riverfront Fund 017

	Budget	Actual		
Beginning Fund Balance	\$36,130	\$41,358	114.47%	
Revenue	\$118,235	\$123,598	104.54%	Received
*Expenditures	\$154,365	\$125,545	81.33%	Expended

Library Renovation Fund 018

	Budget	Actual		
Beginning Fund Balance	\$42,000	\$32,298	76.90%	
Revenue	\$0	\$6	100.00%	Received
*Expenditures	\$42,000	\$29,443	70.10%	Expended

Sys. Development Fund Water 020

		Actual		
Beginning Fund Balance	\$70,480	\$70,485	100.01%	
Revenue	\$300	\$1,076	358.67%	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	\$558	111.60%	Received
*Expenditures	\$133,300	\$0	0.00%	Expended

System Development Fund Stormwater 022

	Budget	Actual
--	---------------	---------------

Beginning Fund Balance	\$6,020	\$6,029	100.15%	
Revenue	\$20	\$25	125.00%	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	\$274,898	100.71%	Received
*Expenditures	\$1,712,950	\$26,659	1.56%	Expended

General Capital Improve. Fund 025

	Budget	Actual		
Beginning Fund Balance	\$230,000	\$237,879	103.43%	
Revenue	\$138,050	\$147,715	107.00%	Received
*Expenditures	\$368,050	\$95,428	25.93%	Expended

*(less unappropriated expenditures)

Street Capital Fund 026

	Budget	Actual		
Beginning Fund Balance	\$418,000	\$418,232	100.06%	
Revenue	\$172,150	\$172,869	100.42%	Received
*Expenditures	\$590,150	\$132,356	22.43%	Expended

*(less unappropriated expenditures)

Storm Capital Fund 027

	Budget	Actual		
Beginning Fund Balance	\$130,000	\$132,079	101.60%	
Revenue	\$31,125	\$31,676	101.77%	Received
*Expenditures	\$161,125	\$16,893	10.48%	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	\$253,716	99.62%	Received
*Expenditures	\$1,604,690	\$14,395	0.90%	Expended

*(less unappropriated expenditures)

Reedsport Urban Renewal District. Fund 150

	Budget	Actual		
Beginning Fund Balance	\$274,000	\$308,849	112.72%	
Revenue	\$83,825	\$81,492	97.22%	Received
Expenditures	\$357,825	\$38,702	10.82%	Expended

URD MainStreet Fund 151

	Budget	Actual		
Beginning Fund Balance	\$0	\$0	0.00%	
Revenue	\$68,000	\$52,899	77.79%	Received
Expenditures	\$68,000	\$1,820	2.68%	Expended

8. MISCELLANEOUS ITEMS

Councilor Debbie Turner thanked everyone that helped with Dune Fest and said that it was a great year.

City Attorney Steve Miller mentioned the passing of Jacque Potter.

City Manager reported that he had approved an expenditure for a new lawnmower that will be utilized by City Public Works crews. The existing one will be kept as a spare but is only running because of many modifications by the City Mechanic.

Councilor Debby Turner motioned to extend the meeting beyond 9:30pm.

Councilor DeeDee Murphy seconded the motion.

MOTION:

that the City Council extend the meeting beyond 9:30pm.

VOTE:

AYES 7 NAYES 0

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

Mayor Linda McCollum declared the motion passed unanimously.

EXECUTIVE SESSION OF THE REEDSPORT CITY COUNCIL AUGUST 3, 2015 CITY HALL CONFERENCE ROOM

PRESENT: Mayor Linda McCollum, Councilors Frank Barth, DeeDee Murphy, Diane Essig, Leslee Collier, Rich Patten and Debby Turner

City Manager Jonathan Wright

OTHERS PRESENT: Deanna Schafer

EXECUTIVE SESSION

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

9. ADJOURN

Linda McCollum, Mayor

ATTEST:

Deanna Schafer, City Recorder