

MINUTES OF THE REEDSPORT CITY COUNCIL DECEMBER 4, 2017, 7:00 P.M.  
CITY HALL CONFERENCE ROOM

PRESENT: Mayor Linda McCollum  
Councilors DeeDee Murphy, Leslee Collier, Rich Patten,  
Mark Bedard, Debby Turner. (Councilor Frank Barth was  
absent). Student Councilor Claire Havener.  
City Manager, Jonathan Wright  
City Attorney, Steve Miller

OTHERS PRESENT: Deanna Schafer, Jessica Terra, Chief Wisehart, Joe Coyne,  
Ellen Anderson, Dennis Swartz, Sherri Sharp, Darrien Dolen,  
Victoria Lavalley, Deb Yates, Jeanette Lauritzen, Cindy  
Wiley, Debbie McKinney, Larry Meyer

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.*

3. PRESENTATIONS, PROCLAMATIONS, AWARDS

Mr. Larry Meyers, 949 Elm presented on the Cities non-compliance of the Patriot Act. He also stated that the roads to Roseburg are too dangerous for citizens to drive at 6:00am in the mornings when they are cited into the circuit court.

4. APPROVAL OF THE AGENDA

City Manager Jonathan Wright said that he would like to request that an item be added to the agenda. A request to authorize a change order to the Elm Street Pump station project.

He also requested an additional executive session to be added to address pending litigation pursuant to ORS 192.660(2) (h).

Councilor DeeDee Murphy motioned to approve the Agenda as amended.

Councilor Leslee Collier seconded the motion.

MOTION:

that the City Council approve the Agenda as amended.

VOTE:

AYES 6 NAYES 0

(Mayor Linda McCollum, Councilors Bedard, Turner, Murphy, Patten and Collier voted in favor of the motion. Student Councilor Claire Havener cast an advisory vote in favor.)

5. PUBLIC HEARINGS

Shall the City Council adopt Resolution 2017-021 authorizing a Supplemental Budget and Budget Revision in order to create a new Fund in the FY 2017/18 Budget?

Mayor Linda McCollum opened the Public Hearing at 7:25 pm.

There were no abstentions or conflicts of interest reported.

Interim Finance Director Jessica Terra said that the Reedsport Police Department contracted with Coos County in order to begin housing Coos County Community Corrections prisoners. Coos county has agreed to paying \$65/bed, per day for this service, regardless of whether the bed is being occupied or not. Staff anticipates approximately \$70,000 to be received in revenues during the 2017/18 Fiscal Year. This was unanticipated at the time of budget adoption and was not included. Staff is proposing to create a Police Capital Fund in which capital expenses have been identified for expenditure of the money.

Since this action creates a new fund, a public hearing and City Council approval are required pursuant to ORS 294.456.

The proposed fund changes are as follows:

**Police Capital Improvements Fund - FUND 037 (New)**

<b>REVENUES</b>	
Beginning Fund Balance	\$0.00
Coos County Contract	\$70,000.00
Misc. Police Income	\$0.00
Fund 001 Transfer	\$0.00
Total Revenues	\$70,000.00
<b>EXPENSES</b>	

Jail Upgrades	\$15,000.00
Recording System	\$25,000.00
Equipment	\$10,000.00
Vehicle Reserve	\$0.00
Vehicle Awning	\$20,000.00
Total Expenses	\$70,000.00

The total budget will be increased by \$70,000 with no increase or decrease in property tax.

There were no members of the public that wished to speak.

Public hearing was closed at 7:29pm.

Councilor Mark Bedard motioned to adopt a Resolution 2017-021 authorizing a Supplemental Budget and Budget Revision in order to create a new fund for Fiscal Year 2017/18.

Councilor Debby Turner seconded the motion.

MOTION:

that the City Council adopt a Resolution 2017-021 authorizing a Supplemental Budget and Budget Revision in order to create a new fund for Fiscal Year 2017/18.

VOTE:

AYES     6                          NAYES     0    

(Mayor Linda McCollum, Councilors Bedard, Turner, Murphy, Patten and Collier voted in favor of the motion. Student Councilor Claire Havener cast an advisory vote in favor.)

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 regular session of November 6, 2017.

B. Motion to approve the Consent Calendar.

Councilor DeeDee Murphy motioned to approve the Consent Agenda.

Councilor Leslee Collier seconded the motion.

MOTION:

that the City Council approve the Consent Agenda.

VOTE:

AYES 6 NAYES 0

(Mayor Linda McCollum, Councilors Bedard, Turner, Murphy, Patten and Collier voted in favor of the motion. Student Councilor Claire Havener cast an advisory vote in favor.)

7. GENERAL BUSINESS

- A. Shall the City Council adopt a meeting schedule for City Council and Budget Committee meetings for the year 2018?

City Manager Jonathan Wright said that the City Council is asked to review the proposed meeting schedule for 2018. The schedule includes both City Council and Budget Committee meetings, including Urban Renewal Agency.

This year we are asking that the Council consider moving the Quarterly Budget Committee meetings to the same nights as the Regular City Council meetings. This request is being made in attempt to eliminate the redundancy of presenting the same information at both the City Council meetings and the Budget Committee meetings. Currently the Budget Committee is meeting twice a year for these “quarterly” reports and with this change we are proposing holding meetings in all four quarters.

Three separate budget meeting dates in April are identified for the budget and capital improvement plan process.

Councilor DeeDee Murphy motioned to adopt a 2018 Calendar of City Council and Budget Committee dates.

Councilor Debby Turner seconded the motion.

MOTION:

that the City Council adopt a 2018 Calendar of City Council and Budget Committee dates.

VOTE:

AYES 6 NAYES 0

(Mayor Linda McCollum, Councilors Bedard, Turner, Murphy, Patten and Collier voted in favor of the motion. Student Councilor Claire Havener cast an advisory vote in favor.)

- B. Shall the City Council authorize the application of an Oregon Community Foundation Grant to fund library operation?

City Manager Jonathan Wright said that since the discontinuation of the Douglas County Library System last March, the City and an army of volunteers have worked hard to see that the Reedsport branch remain open to the public. In support of this effort the City of Reedsport passed an ordinance establishing the first municipal Library in Douglas County. While vowing to continue to support the library, the City's poor financial situation limits our support to operational expenses leaving administrative costs to the volunteers. The library volunteers continue to fundraise to support the library on a month to month basis; however, it is only a matter of time until these efforts fail to meet the expenses of running a community based library.

The Oregon Community Foundation has grants available of up to \$50,000 in support of libraries. The Library Advisory Committee met on November 28, 2017 and recommended approval of the grant application. This grant would provide funding up to 18 months of administrative costs, including but not limited to covering the paid employees, purchase of new and replacement books and other library expenses outside of programs and building operational costs. It should also be noted that if a special District were to be formed that these funds would serve as gap funding between the time when the district is formed and when they get their first tax disbursement.

This grant does not require a match. There is no financial impact to the City except employee time.

Councilor DeeDee Murphy motioned to approve the application of an Oregon Community Foundation Grant.

Councilor Leslee Collier seconded the motion.

MOTION:

that the City Council approve the application of an Oregon Community Foundation Grant.

VOTE:

AYES 6 NAYES 0

(Mayor Linda McCollum, Councilors Bedard, Turner, Murphy, Patten and Collier voted in favor of the motion. Student Councilor Claire Havener cast an advisory vote in favor.)

C. Review of City Utility Billing Policy.

City Manager Jonathan Wright said that from time to time City Staff create policies to address issues. These policies insure equitable treatment of all clients and help staff deal with issues consistently. One of these policies has created an issue for a couple of clients due to a recent utility billing audit. This audit revealed that approximately 27 accounts were being under billed. For whatever reason these accounts were designated as readiness to serve and not being billed for actual service. Oregon Revised Statutes (ORS) 757.077 provides Cities guidance on how to address these issues. It states, in relevant part:

*“If a public utility determines that a current or former customer of the public utility was previously build an incorrect amount for a service proved by the public utility under rate schedules or tariffs in effect for the pubic on the date the serves was provided, the public utility may:*

*“(b)(a)(A) May only collect amounts incorrectly billed during the 12-months period ending on the date on which the public utility issued the last incorrect bill.”*

While authorized to back bill up to one year, Staff’s policy is consistent with current municipal code regulations which provide a six month limitation on back billings. Due to the states mandate on water meters and since metered accounts do not require readiness to serve, Staff has offered to settle outstanding utility debt by only charging the individual the cost of a water meter and installation thereby providing solution to future billing issues and continuing to work toward the states mandated for an entirely metered system.

Readiness to serve is \$19 per month and is only applied to accounts where the dwelling is vacant to cover the cost of maintaining service to the property. The normal flat rate utility charge is \$112 per month for residential customers which covers the sewer, water and storm water maintenance and operational costs including debt acquired for the development of the systems. There is no telling why these accounts were only billed at readiness to serve since there is no way of going back and accounting for what was said by the client or done by City Staff nor does the City’s policy try and assess blame

for the issue. It simply goes by the statutory allowances that provide for incorrect billings in an effort to recover some of the revenue lost yet be fair with the client by not charging for the full year; however, some of the accounts have been billed this way for years costing the ratepayers of the City thousands in uncollected fees.

Councilor DeeDee Murphy motioned to concur with Staff's Utility Billing Policy.

Councilor Leslee Collier seconded the motion.

MOTION:

that the City Council concur with Staff's Utility Billing Policy.

VOTE:

AYES 6 NAYES 0

(Mayor Linda McCollum, Councilors Bedard, Turner, Murphy, Patten and Collier voted in favor of the motion. Student Councilor Claire Havener cast an advisory vote in favor.)

- D. Shall the City Council direct the City Manager to negotiate a contract with a new City Prosecutor?

City Manager Jonathan Wright said that the City's current Prosecutor retired from her contract early due to a disabling injury at home. This has forced Staff to scramble to find a new prosecutor to fill the void. Based on this, time is of the essence in appointing a new Prosecutor necessitating an immediate appointment. Staff has advertised the position but as of the writing of this staff letter have not selected a candidate for the position.

The position is budgeted in the proposed 2017-2018 budget.

Councilor Debby Turner motioned to direct the City Manager to negotiate a contract with a new City Prosecutor.

Councilor Rich Patten seconded the motion.

MOTION:

that the City Council direct the City Manager to negotiate a contract with a new City Prosecutor.

VOTE:

AYES \_\_\_\_\_ 6 \_\_\_\_\_ NAYES \_\_\_\_\_ 0 \_\_\_\_\_

(Mayor Linda McCollum, Councilors Bedard, Turner, Murphy, Patten and Collier voted in favor of the motion. Student Councilor Claire Havener cast an advisory vote in favor.)

- E. Shall the City Council authorize the creation of a new job classification of Police Corporal Officer and adopt a Resolution amending Reedsport Personnel Rules and Regulations, Appendix A, the Classification of Positions for Salary Ranges schedule and Appendix B, current salary schedule, assigning 2017-022 as the title?

Chief of Police Duane Wisheart said that in 2014 the Police Department eliminated one of the two Police Sergeant Positions. At that time there was allocated in the budget by position, six Police Officers, two Sergeants and the Chief of Police. It was felt the span of control was too tight and that the department bordered on being top heavy. Since that time the department has added another Police Officer position with the elimination of the Sergeant, making our current staffing seven Police Officers, one Sergeant and the Chief.

With seven officers there is a need for a senior officer to assist at times thus necessitating the Police Corporal position. Currently, there are six officers assigned to patrol duties and one assigned full time to the schools as the School Resource Officer. Recently one of these existing officers was assigned a narcotics detection dog. With these varied assignments it anticipated that the need for field supervision as well as helping with after hours and weekend supervisory issues will increase.

The Police Corporal would be an internal promotion from the current Police Officers on staff, based upon qualifications, experience, and suitability for the position. This position would not add additional personnel to the department.

It is proposed that the Police Corporal position be one step above the top step Police Officer position, plus certificate pay. At current salary rates, this new position will create an increase to the Police Department's budget of approx. \$300.00 per month. If made effective on January 1<sup>st</sup> this would equate to an increase of approximately \$3,600 per year afterwards, at current salary rates, including benefits. These expenses will be offset by the proceeds from State Marijuana Tax and the proceeds from the Coos County Correction Contract.

Councilor Rich Patten motioned to authorize the City to create a new job description of Corporal Police Officer within the Police Department creating a new pay schedule one step above the current top step Police Officer, and adopt the changes to the Reedsport Personnel Rules and Regulations by Resolution 2017-022.

Councilor DeeDee Murphy seconded the motion.

MOTION:

that the City Council authorize the City to create a new job description of Police Corporal Officer within the Police Department creating a new pay schedule one step above the current top step Police Officer, and adopt the changes to the Reedsport Personnel Rules and Regulations by Resolution 2017-022.

VOTE:

AYES 6 NAYES 0

(Mayor Linda McCollum, Councilors Bedard, Turner, Murphy, Patten and Collier voted in favor of the motion. Student Councilor Claire Havener cast an advisory vote in favor.)

- F. Shall the City Council authorize a contract with Shoji Planning, LLC to perform planning services one day per week beginning January 1, 2018?

In 2012 the City's part-time, contract planner resigned from her duties and the position was not refilled due to budget constraints. The Planner position since that time has been administered through a shared responsibility between the City Manager and the Interim Finance Director.

As the City has begun to see an increase in land use applications, new home permits, and business licenses issued over the past 2-3 years, staff finds the need to have part-time Planner again. While the budget is still limited to the ability to support this position, the need is present, so finances can be offset through those increased administrative fees (implemented in 2016), as well as, new revenues that are trickling in related to those activities. The position would also be limited to one day per week.

Staff has considered options of contracting with a qualified Planner in the past, as well as, looked at options that could be available through an IGA with the Douglas County Planning Department. The most cost-effective option thus far has been with Shoji Planning, LLC out of Coos Bay. Owner, Crystal Shoji, previously was employed by the City of Reedsport for planning work, so she is familiar with Reedsport and its planning processes. She operates her own firm with one other employee and has been providing planning services since to local governments since 1996.

Staff would like to contract with Shoji Planning, LLC for a one day per week planner position, in which a Planning Technician would be available to answer citizen inquiries, write staff reports, improve the current filing system, update planning forms and

documents, attend monthly Planning Commission meetings, process land use applications, review building permits, and similar duties.

Staff is requesting Council to approve this contract with a not to exceed limit of \$11,000 for the remainder of the fiscal year 2017/18 budget. If approved and a contract negotiated, the position would become effective January 1, 2018.

This position will cost approximately \$11,000 and is being funded through a combination of over-budgeting for a front office-position in which retirement is occurring mid-way through the year, as well as, with unanticipated revenues from State Marijuana Taxes.

This will be addressed in more detailed in a Supplemental Budget to follow.

Councilor Mark Bedard motioned to award a contract with Shoji Planning, LLC to perform planning services one day per week beginning January 1, 2018, not to exceed \$11,000 for the remainder of the fiscal year.

Councilor DeeDee Murphy seconded the motion.

**MOTION:**

that the City Council direct the City Manager to award a contract with Shoji Planning, LLC to perform planning services one day per week beginning January 1, 2018, not to exceed \$11,000 for the remainder of the fiscal year.

**VOTE:**

AYES 6 NAYES 0

(Mayor Linda McCollum, Councilors Bedard, Turner, Murphy, Patten and Collier voted in favor of the motion. Student Councilor Claire Havener cast an advisory vote in favor.)

- G. Shall the City Council authorize a part-time office position and minor modifications to three (3) office position descriptions?

Interim Finance Director Jessica Terra said that in anticipation of a Jeanne Plagmann's retirement at the end of February 2018, staff is requesting to advertise for a part-time front office position to become effective January 1, 2018. This would allow for much needed cross-training in order to provide for a smooth transition upon her departure.

With this change in staffing, staff has taken the opportunity to review job duties and current work flows to continue providing the best service possible at the front office of City Hall and is proposing a few minor amendments to the current job positions.

In summary the modifications are:

1. Sharmen Tipton will be removed of Accounts Payable responsibilities and remain as the Utility Billing Clerk. Added to her duties will be one day per week at the front counter.
2. Cindy Phillips will maintain her Court Clerk and Planning Secretary duties, gaining 1-2 days per week on the front counter, but will not fill the Saturday position at the Umpqua Discover Center, as Plagmann did previously. The Director is researching options for hiring a part-time person to fill that void in the new fiscal year.
3. The part-time position will be advertised at the same hourly rate of pay as Phillips and Tipton, but weekly hours will be approximately 24. This position will manage the Accounts Payable/Accounts Receivable, as well as, work the front desk 1-2 days per week.

Staff would also like to advise Council that in the new fiscal year it is anticipated that the front office will be fully staffed and with that, would like to reopen the doors of City Hall on the first Wednesday of each month. This was implemented a year ago when the front office staff had been reduced to two employees and more time was needed to complete monthly tasks and meet first of the month deadlines.

The fiscal impact of this position will be addressed in the Supplemental Budget to follow, but the part-time position is primarily being funded by an offset of wages that were over-budgeted for Plagmann's position, as her position was budgeted through the entire fiscal year.

Councilor Leslee Collier motioned to authorize a part-time office position and minor modifications to three (3) office position descriptions.

Councilor Mark Bedard seconded the motion.

MOTION:

that the City Council authorize a part-time office position and minor modifications to three (3) office position descriptions.

VOTE:

AYES 6 NAYES 0

(Mayor Linda McCollum, Councilors Bedard, Turner, Murphy, Patten and Collier voted in favor of the motion. Student Councilor Claire Havener cast an advisory vote in favor.)

- H. Shall the City Council adopt an ordinance to extend the suspension of utilities system development charges (SDCs), not to include SDCs assessed as part of a public project, and assign 2017-1164 as the title?

City Manager Jonathan Wright said that in December 5, 2011, the City Council adopted Ordinance No. 2011-1111 suspending SDCs for one year. The purpose of the suspension was to provide incentive to promote investment in Reedsport. Since the 2011 Ordinance Council has extended the moratoria each year in the hope of enticing new development. This year's moratoria is set to expire at the end of December should the Council not pass another Ordinance extending the moratoria.

Since the moratoria was implemented, the City has issued approximately 2-3 new home permits each year, and an astonishing six were issued in the 2016/17 FY, but no major developments have come about as a result of the moratoria. Staff believes that a continuation of the suspension is warranted to keep incentives available for new industry that may be looking to locate here in Reedsport and to continue to encourage new housing development, especially with the on-going levee certification issues the community is faced with. A draft ordinance extending the moratoria for an additional year is attached for Council's consideration. This ordinance includes a provision for Council to re-evaluate after six months should development trends change substantially between now and then.

The current fiscal budget does not anticipate the collection SDCs due to the moratoria.

Councilor DeeDee Murphy motioned to adopt ordinance 2017-1164 suspending collection of utilities SDCs, not to include SDCs assessed as part of a public project.

Councilor Leslee Collier seconded the motion.

MOTION:

that the City Council adopt ordinance 2017-1164 suspending collection of utilities SDCs, not to include SDCs assessed as part of a public project.

VOTE:

AYES 6 NAYES 0

(Mayor Linda McCollum, Councilors Bedard, Turner, Murphy, Patten and Collier voted in favor of the motion. Student Councilor Claire Havener cast an advisory vote in favor.)

- I. Shall the City Council approve funding for the initial purchase of emergency water purification equipment via Department of Homeland Security grant?

Public Works Director John Stokes said that in October of 2016, the City's Emergency Operations Committee (EOC) was presented with a grant opportunity via Douglas County Emergency Services, to apply for a Federal Department of Homeland Security (DHS) grant to provide equipment to the City in case of an emergency. It was decided that due to the strong potential of interruption to the water system, that purification equipment was the choice for the application.

With assistance from Wayne Stinson of Douglas County Emergency Services, equipment from MECO Industries was selected for the application. In short, the MECO Purification system was developed for the US Military operating in conditions where it was not possible for supplies of fresh water to be obtained. The system will produce up to 8,400 gallons per 24 hour period (GPD) and is capable of desalinating salt water, removing multiple type of contaminants from water, etc. Basically, creating up to 2 gallons of potable water for a 4,000 person population every 24 hours. The unit is generator powered which the City already has and is also designed to be truck mounted which the City already has the means to provide.

After applying for the DHS grant in the spring of 2017, the City was notified on October 30, 2017 of the award of the full amount of the grant which will effectively assist in providing a greater degree of survivability in a potential disaster.

The grant amount is \$117,282 which will need to be allocated up front to secure the manufacture, testing and shipping of the unit. After receipt of the unit and verification of payment, the DHS will reimburse the City for 100 percent of the costs incurred up to the grant value per the attached agreement. Funding for this allocation is available from Capital Improvements Fund 029.

Councilor Rich Patten motioned to approve the grant allocation/reimbursement and agreement with the DHS to purchase the water purification equipment.

Councilor Leslee Collier seconded the motion.

MOTION:

that the City Council approve the grant allocation/reimbursement and agreement with the DHS to purchase the water purification equipment.

VOTE:

AYES 6 NAYES 0

(Mayor Linda McCollum, Councilors Bedard, Turner, Murphy, Patten and Collier voted in favor of the motion. Student Councilor Claire Havener cast an advisory vote in favor.)

- J. Shall the City Council adopt Resolution 2017-023 authorizing an interfund loan from Fund 024 to Fund 016 in the amount of \$1.2 million at the rate of 2% and to be repaid within 10 years?

Interim Finance Director Jessica Terra said that at the November 6<sup>th</sup> Council meeting, the Reedsport City Council directed staff to draft a resolution establishing the terms for an interfund loan to be transferred from the Wastewater Capital Fund (024) to the Dunes NRA Fund (016). The purpose of the loan is to finance the expansion and renovation of the existing building per the negotiated contract with the tenants and GSA.

Per the requirements of ORS 294.468 capital interfund loans made for the purpose of financing the design, acquisition, construction, installation, or improvement of real or personal property may be allowed, so long as the loan is repaid in full over a term not to exceed 10 years. The resolution that authorizes the loan must state a schedule for repayment and a rate of interest, which may be set at any rate the governing body determines.

The resolution meets these requirements and is summarized as follows:

1. Loan amount of \$1.2 million.
2. Annual percentage rate of 2%.
3. Transfer from Fund 024 to Fund 016 to occur, in full, on July 1, 2018.
4. Loan to be repaid within 10 years, with the first installment occurring on, October 1, 2018 and the final disbursement transacting no later than June 30, 2028.

The FY 2017/18 budget will not be impacted by this loan. The revenue and expenses will be identified in the 2018/19 FY budget based on the repayment schedule in Resolution 2017-023.

Councilor Leslee Collier motioned to adopt Resolution 2017-023 authorizing an interfund loan from Fund 024 to Fund 016 in the amount of \$1.2 million at the rate of 2% and to be repaid within 10 years.

Councilor DeeDee Murphy seconded the motion.

**MOTION:**

that the City Council adopt Resolution 2017-023 authorizing an interfund loan from Fund 024 to Fund 016 in the amount of \$1.2 million at the rate of 2% and to be repaid within 10 years.

**VOTE:**

AYES     6                          NAYES     0    

(Mayor Linda McCollum, Councilors Bedard, Turner, Murphy, Patten and Collier voted in favor of the motion. Student Councilor Claire Havener cast an advisory vote in favor.)

- K. Shall the City Council adopt Resolution 2017-024 authorizing a Supplemental Budget and Budget Revision (adjusting fund expenditures by 10 percent or less) for Fiscal Year 2017/18?

Interim Finance Officer Jessica Terra said that a Resolution has been drafted which provides for unforeseen changes in the form of a Supplemental Budget and budget revisions for fiscal year budget of 2017/18.

The following information is provided regarding the recommended adjustments. These adjustments were not known at the time of adopting the FY 2017/18 budget. None of the recommended adjustments increase the property tax levy.

**General Fund (001) change explanations:**

In order to adjust for a part-time, front-office position at City Hall and the creation of a Senior Police Officer position, as well as, an increase to the jail expense line item for increased food costs, the following transaction(s) will occur:

- Recognize increased revenue from State Marijuana Tax.
- Increase beginning fund balance.
- Redistribute personnel expenses, among departmental units.
- Transfer from Materials & Services to the Personnel category within departmental unit 102.
- Transfer from personnel expenses
- One-time, interfund transfer from Fund 037.

**General Fund (003) change explanations:**

In order to adjust for a part-time, front-office position at City Hall and to correct an under-budgeting issue created at the time the fiscal year budget was adopted, the following transaction(s) will occur:

- Redistribute personnel expenses.
- Transfer from Materials & Services to the Personnel category.

**General Fund (004) change explanations:**

In order to adjust for a part-time, front-office position at City Hall the following transaction(s) will occur:

- Redistribute personnel expenses.

**General Fund (029) change explanations:**

In order to recognize grant monies received to purchase a Reverse Osmosis unit for the Water Plant

- Increase grant revenue.
- Increase Water Plant Improvements expense line item.

The specific line item changes are included in the attached resolution for your consideration.

The total budget will be increased by \$132,000 with no increase or decrease in property tax.

Councilor DeeDee Murphy motioned to adopt Resolution 2017-024 adopting a Supplemental Budget and Budget Revisions for Fiscal Year 2017/18.

Councilor Leslee Collier seconded the motion.

**MOTION:**

that the City Council adopt Resolution 2017-024 adopting a Supplemental Budget and Budget Revisions for Fiscal Year 2017/18.

**VOTE:**

AYES 6 NAYES 0

(Mayor Linda McCollum, Councilors Bedard, Turner, Murphy, Patten and Collier voted in favor of the motion. Student Councilor Claire Havener cast an advisory vote in favor.)

- L. Shall the City Council approve an increase in the Elm Ave pump station seismic retrofit project budget to allow for change orders?

City Manager Jonathan Wright said that the City of Reedsport received \$94,083.75 from the Federal Emergency Management Agency (FEMA) for the seismic retrofit of the Elm Ave Pump Station. On November 6, 2017 the City Council awarded West Coast Contractor's the project with a not to exceed budget of \$120,000. Since that time a number of issues and needs of that pump station have come to light. It is the hope of staff that we can get them resolved while the contractor is onsite rather than paying to deal with them later. It should be noted that two change orders have been issued but those costs fit within the budgetary parameters set by council. The first change order added a section of pipe to the discharge pipeline being replaced to ensure the structural stability of the discharge piping. The second change order was to add a piling to help support the weight of the 12" discharge pump and piping.

These next change orders will add to the stability of the pump station by providing additional bracing. It was discovered after the plans were drawn up by the engineer that the City had made changes to the pump station that were not reflected in the original as-built plans. These changes require additional supports to be fabricated and added to the pump discharge piping and super structure to ensure that the weight of the pump station is entirely supported by the new steel piles and bracing.

There is also need to dredge the wet well that has become silted in overtime. While the crane is onsite a "clam shell" can be attached and silt removed.

The costs would increase the overall project cost by approximately \$10,000.

Councilor DeeDee Murphy motioned to approve an increase to the Elm Ave seismic retrofit project budget of \$10,000.

Councilor Leslee Collier seconded the motion.

MOTION:

that the City Council approve an increase to the Elm Ave seismic retrofit project budget of \$10,000.

VOTE:

AYES 6 NAYES 0

(Mayor Linda McCollum, Councilors Bedard, Turner, Murphy, Patten and Collier voted in favor of the motion. Student Councilor Claire Havener cast an advisory vote in favor.)

M. Quarterly Report (period ending 9-30-17).

Interim Finance Officer Jessica Terra presented the following quarterly financial statement.

**1st Quarter of fiscal year 2017/18**  
**Period ending 09.30.17**  
**Includes supplemental budget**

<b>General Fund 001</b>				
	<b>Budget</b>	<b>Actual</b>		
<b>Beginning Fund Balance</b>	\$965,000	\$1,234,480	127.93%	
<b>Revenue</b>	\$2,468,740	\$160,325	6.49%	Received
<b>*Expenditures</b>	\$3,023,740	\$731,679	24.20%	Expended
*(less unappropriated expenditures)				
<b>Street Fund 002</b>				
	<b>Budget</b>	<b>Actual</b>		
<b>Beginning Fund Balance</b>	\$110,000	\$151,530	137.75%	
<b>Revenue</b>	\$335,200	\$69,550	20.75%	Received
<b>*Expenditures</b>	\$430,200	\$81,450	18.93%	Expended
*(less unappropriated expenditures)				
<b>Water Utility Fund 003</b>				
	<b>Budget</b>	<b>Actual</b>		
<b>Beginning Fund Balance</b>	\$100,000	\$95,930	95.93%	
<b>Revenue</b>	\$789,860	\$216,730	27.44%	Received
<b>*Expenditures</b>	\$876,730	\$119,700	13.65%	Expended
*(less unappropriated expenditures)				
<b>Wastewater Utility 004</b>				
	<b>Budget</b>	<b>Actual</b>		
<b>Beginning Fund Balance</b>	\$320,000	\$341,080	106.59%	
<b>Revenue</b>	\$1,829,000	\$474,320	25.93%	Received
<b>*Expenditures</b>	\$2,099,000	\$366,170	17.44%	Expended
*(less unappropriated expenditures)				
<b>Stormwater Utility Fund 005</b>				
	<b>Budget</b>	<b>Actual</b>		
<b>Beginning Fund Balance</b>	\$55,000	\$78,350	142.45%	
<b>Revenue</b>	\$72,600	\$18,250	25.14%	Received
<b>*Expenditures</b>	\$125,650	\$16,995	13.53%	Expended
*(less unappropriated expenditures)				

**Bicycle/footpath Fund 007**

	<b>Budget</b>	<b>Actual</b>		
<b>Beginning Fund Balance</b>	\$41,500	\$42,000	101.20%	
<b>Revenue</b>	\$2,600	\$555	21.35%	Received
<b>*Expenditures</b>	\$44,100	\$0	0.00%	Expended

\*(less unappropriated expenditures)

**Water SPWF Loan Debt Fund 010**

	<b>Budget</b>	<b>Actual</b>		
<b>Beginning Fund Balance</b>	\$6,260	\$6,195	98.96%	
<b>Revenue</b>	\$0	\$0	100.00%	Received
<b>*Expenditures</b>	\$6,260	\$6,195	98.96%	Expended

\*(less unappropriated expenditures)

**Wastewater DEQ Loan Debt Fund 012**

	<b>Budget</b>	<b>Actual</b>		
<b>Beginning Fund Balance</b>	\$815,000	\$815,950	100.12%	
<b>Revenue</b>	\$577,900	\$145,565	25.19%	Received
<b>*Expenditures</b>	\$1,003,400	\$236,685	23.59%	Expended

\*(less unappropriated expenditures)

**Wastewater OECDD Loan Debt Fund 013**

	<b>Budget</b>	<b>Actual</b>		
<b>Beginning Fund Balance</b>	\$102,180	\$102,350	100.17%	
<b>Revenue</b>	\$154,610	\$38,935	25.18%	Received
<b>*Expenditures</b>	\$154,260	\$0	0.00%	Expended

\*(less unappropriated expenditures)

**Fire Equipment Fund 014**

	<b>Budget</b>	<b>Actual</b>		
<b>Beginning Fund Balance</b>	\$165,000	\$185,290	112.30%	
<b>Revenue</b>	\$186,600	\$166,095	89.01%	Received
<b>*Expenditures</b>	\$351,600	\$326,185	92.77%	Expended

\*(less unappropriated expenditures)

**Dunes NRA Fund 016**

	<b>Budget</b>	<b>Actual</b>		
<b>Beginning Fund Balance</b>	\$110,000	\$111,560	101.42%	
<b>Revenue</b>	\$1,295,800	\$16,345	1.26%	Received
<b>*Expenditures</b>	\$1,405,800	\$19,720	1.40%	Expended

\*(less unappropriated expenditures)

**Riverfront Fund 017**

	<b>Budget</b>	<b>Actual</b>		
<b>Beginning Fund Balance</b>	\$40,000	\$94,500	236.25%	
<b>Revenue</b>	\$118,350	\$34,015	28.74%	Received

<b>*Expenditures</b>	\$158,350	\$28,175	17.79%	Expended
*(less unappropriated expenditures)				

**Sys. Development Fund Water 020**

	<b>Budget</b>	<b>Actual</b>		
<b>Beginning Fund Balance</b>	\$72,600	\$72,675	100.10%	
<b>Revenue</b>	\$400	\$220	55.00%	Received
<b>*Expenditures</b>	\$73,000	\$0	0.00%	Expended

**Sys. Development Fund Wastewater 021**

	<b>Budget</b>	<b>Actual</b>		
<b>Beginning Fund Balance</b>	\$6,100	\$6,150	100.82%	
<b>Revenue</b>	\$40	\$15	37.50%	Received
<b>*Expenditures</b>	\$6,140	\$0	0.00%	Expended

**System Development Fund Stormwater 022**

	<b>Budget</b>	<b>Actual</b>		
<b>Beginning Fund Balance</b>	\$135,250	\$285,595	211.16%	
<b>Revenue</b>	\$750	\$850	113.33%	Received
<b>*Expenditures</b>	\$136,000	\$0	0.00%	Expended

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

	<b>Budget</b>	<b>Actual</b>		
<b>Beginning Fund Balance</b>	\$2,000,000	\$2,085,310	104.27%	
<b>Revenue</b>	\$341,500	\$89,335	26.16%	Received
<b>*Expenditures</b>	\$2,341,500	\$36,659	1.57%	Expended

**General Capital Improve. Fund 025**

	<b>Budget</b>	<b>Actual</b>		
<b>Beginning Fund Balance</b>	\$420,000	\$447,660	106.59%	
<b>Revenue</b>	\$1,414,500	\$52,630	3.72%	Received
<b>*Expenditures</b>	\$1,834,500	\$5,615	0.31%	Expended
*(less unappropriated expenditures)				

**Street Capital Fund 026**

	<b>Budget</b>	<b>Actual</b>		
<b>Beginning Fund Balance</b>	\$525,000	\$553,500	105.43%	
<b>Revenue</b>	\$147,685	\$25,185	17.05%	Received
<b>*Expenditures</b>	\$672,685	\$78,180	11.62%	Expended
*(less unappropriated expenditures)				

**Storm Capital Fund 027**

	<b>Budget</b>	<b>Actual</b>		
<b>Beginning Fund Balance</b>	\$200,000	\$93,950	46.98%	
<b>Revenue</b>	\$501,235	\$102,070	20.36%	Received

<b>*Expenditures</b>	\$701,235	\$4,660	0.66%	Expended
*(less unappropriated expenditures)				

**Water Enterprise Capital Improvement Fund 029**

	<b>Budget</b>	<b>Actual</b>		
<b>Beginning Fund Balance</b>	\$1,225,000	\$1,329,455	108.53%	
<b>Revenue</b>	\$180,500	\$46,685	25.86%	Received
<b>*Expenditures</b>	\$1,405,500	\$391,975	27.89%	Expended
*(less unappropriated expenditures)				

**Dial-A-Ride Fund 034**

	<b>Budget</b>	<b>Actual</b>		
<b>Beginning Fund Balance</b>	\$0	\$0	100.00%	
<b>Revenue</b>	\$44,380	\$22,775	51.32%	Received
<b>*Expenditures</b>	\$44,380	\$7,085	15.96%	Expended
*(less unappropriated expenditures)				

**Animal Shelter Fund 035**

	<b>Budget</b>	<b>Actual</b>		
<b>Beginning Fund Balance</b>	\$0	\$0	100.00%	
<b>Revenue</b>	\$26,750	\$6,925	25.89%	Received
<b>*Expenditures</b>	\$26,750	\$515	1.93%	Expended
*(less unappropriated expenditures)				

**Library Fund 036**

	<b>Budget</b>	<b>Actual</b>		
<b>Beginning Fund Balance</b>	\$0	\$0	100.00%	
<b>Revenue</b>	\$43,320	\$15,515	35.81%	Received
<b>*Expenditures</b>	\$43,320	\$8,995	20.76%	Expended
*(less unappropriated expenditures)				

**Reedsport Urban Renewal District. Fund 150**

	<b>Budget</b>	<b>Actual</b>		
<b>Beginning Fund Balance</b>	\$60,000	\$105,880	176.47%	
<b>Revenue</b>	\$110,050	\$2,285	2.08%	Received
<b>Expenditures</b>	\$170,050	\$9,980	5.87%	Expended

**URD MainStreet Fund 151**

	<b>Budget</b>	<b>Actual</b>		
<b>Beginning Fund Balance</b>	\$20,000	\$41,840	209.20%	
<b>Revenue</b>	\$140,915	\$8,715	6.18%	Received
<b>Expenditures</b>	\$160,915	\$12,415	7.72%	Expended

**8. MISCELLANEOUS ITEMS**

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

City Manager Jonathan Wright said that Oregon Department of Transportation will be holding an open house concerning the Deans Creek to 101 Highway improvements including the changes to be made in the uptown directed toward pedestrian improvements. It is on Thursday from 5:00pm to 7:00pm.

Ms. Sherri Sharp asked to address the City Council concerning what she felt was an improper arrest of herself recently. The City Manager will look into the situation.

EXECUTIVE SESSION OF THE REEDSPORT CITY COUNCIL DECEMBER 4, 2017  
CITY HALL COUNCIL CHAMBERS

PRESENT: Mayor Linda McCollum, Mark Bedard, Rich Patten Leslee Collier, DeeDee Murphy and Debby Turner  
  
City Manager Jonathan Wright  
  
City Attorney Steve Miller

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 litigation likely to be filed.

ADJOURN

\_\_\_\_\_  
Linda McCollum, Mayor

ATTEST:

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