



CITY OF YACHATS

CITY COUNCIL MEETING

January 15, 2020

Draft Minutes

Meeting Call to Order

Mayor W. John Moore called the January 15, 2020 regular meeting of the City Council to order at 2:00 pm in Room 1 of the Yachats Commons. Council members present: W. John Moore, Max Glenn, Jim Tooke and Leslie Vaaler. Absent: James Kerti. Staff present: City Manager Shannon Beaucaire and Water Treatment Plant Lead Rick McClung. Audience: 24.

I. Announcements, Correspondence, and Proclamations

Councilor Glenn announced that the Agate Festival was this weekend.

II. Public Comment

1. Craig Berdie (319 E 3rd St) stated he was representing the Parks and Commons Commission to ask about a noxious weed ordinance. Berdie explained the issues with the current ordinance, including having different weeds listed in different sections, a July 1 notice for weed abatement, and internal inconsistencies. Berdie asked for direction on how to proceed.

Vaaler asked if there was a draft document and offered to look at the document before making a recommendation. Mayor Moore asked how far along the Commission had gotten in the process. Berdie indicated the Commission has reviewed ordinance, received recommendations, and had an initial draft. Mayor Moore asked Berdie for time to review his draft document.

2. Nathan Barnard (Yachats River Road, Yachats Brewing and Farm Store) recalled at the last meeting he attended there was discussion of eliminating the vacation rental cap in certain zones. He asked what the justification for limiting rentals in zones for hotels was. Mayor Moore indicated they reversed their approach after they received feedback from the Attorney. Mayor Moore indicated they have discussed the reasons at previous Council meetings and stated it was unfortunate that Barnard could not attend. Mayor Moore and Barnard discussed a possible meeting.

Barnard also stated he could not see any tangible progress on previous goals. He stated it was incredulous to see that the City spent money on hiring someone to help them set goals.

Bree Goodwin (3526 NE Eastline Road) stated she is the Oregon Field Manager for the Surfrider Foundation, recently moved here, and wanted to introduce herself.

1 4. Steven LaSky (2080, 2120 Overleaf Loop) stated he was surprised to see vacation rentals not
2 on the agenda today. He did not think the Council had any concerns for him or the needs of
3 citizens. He was dumbfounded as to why further vacation rentals would not be allowed in the
4 resort community of the Overleaf. He stated the Attorney did not state that the Council could not
5 make changes to the cap. He offered to do whatever was necessary to help make the legislation
6 possible. Mayor Moore stated the issue might come up again sooner than they originally
7 expected.

8
9 5. Tom Lauritzen (204 Shell Street) referred the Council to page 54 of the packet. He recalled
10 the previous financial staff person left in January 2019, a new system was implemented in July
11 2019, and the financial work has been outsourced. He argued the bookkeeping methods of the
12 financial provider do not match the way the City does budgeting. He did not believe COG had
13 the analytical skills to get the City the information it needs. Lauritzen asked that the City have
14 an open session with the COG financial staff for Commissions and Committees to review what
15 was promised, what has been provided, and changes that need to be made. He asked that
16 Councilor Glenn, a board member of COG, report to the board that COG's work fails some basic
17 financial reporting standards.

18
19 The City Manager stated she has been in discussions with COG and invited Lauritzen to attend a
20 meeting later that afternoon.

21 22 **III. Consent Agenda**

23 **A. December 5 and 18, 2019 Minutes**

24 **B. Excusal of City Manager from February 2020 meetings**

25 **Councilor Vaaler moved to approve the consent agenda: Aye – 4; No – 0.**

26 27 **IV. New Business**

28 **A. Cape Perpetua Collaborative**

29 Tara DuBois, Communications Coordinator for the Cape Perpetua Collaborative, wanted to
30 thank the Council for their support and to update Council on the Collaborative's recent work.
31 She noted they now have over 700 subscribers to their newsletter. She reviewed some of the
32 information she provided in her packet. She highlighted the findings from their two-year
33 intercept survey. She indicated she would send their final report on the survey to the City. She
34 noted they get hundreds of volunteers for the marbled murrelet survey.

35
36 Councilor Tooke noted that sneaker waves are not big waves in the traditional sense, as they
37 involve a general ocean rise. He suggested something be included in outreach about what to
38 expect from a sneaker wave. Goodwin indicated she would raise the issue at their meeting.

39 40 **B. Utility Rate Study**

41 Mayor Moore invited Tim Tice to discuss the utility rate study. Tice indicated he was with the
42 Oregon Association of Water Utilities. Tice explained their findings on the City's water rates.
43 Tice thought City had done an admirable job of covering the fixed costs through the base rates.
44 Tice passed out a summary of findings and recommendations, noting the disproportionate rates
45 for meter size.

1 Tice indicated they are recommending setting rates based on meter size, as indicated in column
2 7. Vaaler asked what the numbers were used in calculating the ratio. Tice indicated these
3 numbers were a cost replacement ratio. Glenn asked about the different rates for the 2” meters as
4 shown in column 2. Tice indicated the recommended system has the same rate for all 2” meters.
5

6 Mayor Moore asked how these recommendations compared to the existing system in terms of
7 revenues, given the increase in capital needs. Tice said the current City rate structure has a
8 shortfall of 14%. He noted the current unit cost was \$5.33, which is not enough. He
9 recommended a unit cost starting at \$8.55.
10

11 Regarding usage, Tice recommended going to a tiered system. He explained that for those with a
12 5/8” meter, the recommended rate was \$8.55 per unit for use from 2 to 4 units, \$10.00 per unit
13 for use of 4 to 8 units, and \$12.00 per unit for use over 8 units. He reviewed a sample table of
14 users with a 5/8” meter.
15

16 Vaaler clarified that the homeowner makes the decision about what size meter to install. Mayor
17 Moore clarified Tice was looking for approval from Council to move forward with assessing
18 rates based on meter size.
19

20 Nathan Barnard got clarification that the base rate allowance is based on meter size and the per
21 volume rate is the same for all users within this allowance, but rates per unit increases get higher
22 with each of the tiers. Mayor Moore stated the standard home owner would not see much change.
23 Vaaler clarified having the tiered units encourages conservation and keeps the system covering
24 their costs.
25

26 Vaaler asked about Tice’s confidence for raising \$200,000 for CIP reserves. Tice stated that if
27 the usage and revenues remain consistent based on the last three years, they would meet the
28 budget.
29

30 Vaaler asked what a good price index would be and how often would it need to be adjusted. She
31 noted the City has to ask the engineer for the construction index that is the current base for
32 adjustments. Tice indicated they use a ten-year rolling average of the consumer price index.
33

34 Greg Scott reviewed the history of discussions about base rates and how Yachats chose to go
35 with the YEU base rate method over a meter size basis. He noted the choice to go with meter size
36 significantly impacted the larger users. He suggested the failure was not properly adjusting the
37 system over time, not with the rate system itself.
38

39 Mayor Moore asked to see a side by side comparison for the larger users for the existing system
40 compared to the proposed meter size system. Tice indicated it would take a lot of time to do this
41 and had concern about meeting the July 1, 2020 deadline. Bob Bennett stated the current YEU
42 was set at 64 units. Lauritzen asked that they use the correct numbers for the 9 large users if they
43 proceed with such a comparison and stated that he has provided these numbers to the City
44 Manager.
45

46 Bennett indicated that the Public Works Commission had consensus for going with a meter size
47 base rate and the tiered system for usage. Glenn, Tooke and Mayor Moore were favorable to
48

1 move forward with the proposed approach. Vaaler wanted to ensure that certain users would not
2 be unduly impacted or see overly dramatic changes. After discussion with Tice, Mayor Moore
3 indicated he and Vaaler would see if they could do the comparison calculations themselves.
4 Vaaler asked that Lauritzen be included in the calculations. Tice asked to see the results of the
5 comparison.

6
7 Roslund asked how many jurisdictions included a certain amount of usage with the base rate.
8 Tice indicated more cities are starting to include a base usage amount. Scott stated that the meter
9 sizes installed for the commercial businesses do not match the amount of water that the
10 businesses use.

11
12 Bernard added that he had wanted to install a 2” meter at the Farm Store and was presented with
13 a cost estimate of \$73,000 to upgrade to a 2” meter. He noted he is one of the larger water users
14 in the town and he currently operates with a ¾ meter. Lauritzen explained that they started with
15 the 2 units for base rate inclusion to get people who use their homes 4 weeks each year to pay a
16 larger amount for the infrastructure.

17
18 Mayor Moore stated there was a consensus to go with the meter size for the base rate
19 calculations.

20 21 **C. Mid-Coast Water IGA**

22 Manager Beaucaire read from the memo in the packet. Tooke reviewed his work with the group
23 and noted the Partnership was wanting \$1,700 from the City for their \$40,000 budget. Glenn
24 supported the proposal and believed the group has done good work. Tooke explained the
25 difficulty in assessing self-supplied users. Tooke cited an example of a guy whose spring ran dry
26 for the first time in 25 years.

27
28 Vaaler noted that the budget proposed by the partnership was not really addressing the water
29 issues for Yachats and included items such as logo and website development. She indicated she
30 would support the IGA if Tooke thought it would be beneficial to Yachats

31
32 **Tooke moved to approve the intergovernmental agreement with Mid-Coast Water Partnership:**
33 **Aye – 4; No – 0.**

34
35 Bernard thanked Tooke for his work on this topic.

36 37 **D. FY19 Urban Renewal Agency Financial Statement**

38 Manager Beaucaire reported this financial statement went before the Urban Renewal Board and
39 reflects corrections from that meeting.

40
41 Vaaler suggested that in the second paragraph on page 2, it would be better to state that the
42 balance “is anticipated to be” instead of “will be” transferred.

43
44 **Vaaler moved to adopt the Urban Renewal District Financial statement with a change to read,**
45 **“\$347,456 is anticipated to be carried forward into fiscal year 2021 as a beginning balance”:**
46 **Aye – 4; No – 0.**

1 **E. Resignation of Councilor Kerti**

2 Mayor Moore read the letter of resignation from Councilor Kerti.

3
4 **Glenn moved to accept the resignation from Councilor Kerti with appreciation for his service and**
5 **great regret for his leaving: Aye – 3; No – 0. (Tooke had left the meeting)**

6
7 Council consented to fill the open seat by appointment.

8
9 Mayor Moore recommended the following timeline:

- 10 1. Start advertising the position immediately on the website, Facebook, the February
11 Newsletter, and the Post Office.
12 2. Give applicants three weeks from this date to apply, with applications due on February
13 5, 2020.
14 3. Review applicants to date at the February 6, 2020 meeting and decide whether to
15 extend the application period. If they are satisfied with applicant pool, they could
16 announce the names.
17 4. Anticipate swearing in new Councilor at the February 19, 2020 meeting.

18
19 Mayor Moore suggested a series of work sessions to include:

- 20 1. Determining application and interview questions
21 2. Determining which candidates will be interviewed
22 3. Interviewing each candidate in a separate session prior to the meeting on February 19,
23 2020.

24
25 Mayor Moore recommended a voting procedure recently used by the city of Florence. He stated
26 councilors use a written paper ballot with the selected candidate and Councilor name to be read
27 aloud after votes are cast. If there were a tie, each councilor could talk about why they supported
28 a particular candidate.

29
30 Vaaler had a concern about having the February 6 deadline as the Newsletter does not get mailed
31 until around the 1st and people need time to think about it. She would prefer having applications
32 due before the February 19, 2020 meeting.

33
34 Vaaler stated that while they are entitled to fill the vacancy by the charter, she wanted to get
35 support from the community. She noted Medford appointed a committee of five people who
36 interviewed applicants and made a recommendation to the Council. She suggested they could do
37 a variation of that. Another community suggested that applicants get signatures. She wanted to
38 incorporate citizen input in some way.

39
40 Glenn appreciated Vaaler's suggestion but did not want citizen input as it would contribute to the
41 divisiveness in the community. Glenn and Moore did not want a citizen committee as there
42 would be an issue as to who would sit on the committee. Mayor Moore indicated he
43 conceptually liked Vaaler's idea but believed putting it into practice would cause issues.

44
45 Council agreed to set Friday, February 14, 2020 as a due date for applications.
46

1 Vaaler indicated she wanted Councilors to be able to ask follow up questions to the uniform
2 questions to candidates. Mayor Moore indicated he had suggested allowing for clarifying
3 questions.

4
5 Mayor Moore read the skills and abilities required of a Councilor from the city of Florence
6 application. He suggested these statements might help applicants better understand what to
7 expect. Council agreed to include these statements.

8
9 Councilors discussed what questions to put on the application, referring to applications from
10 Medford and Ashland. Vaaler wanted to ask the audience what questions they would like to see.

11
12 LaSky noted a concern that there was an appearance of inequity when the Council picked their
13 replacement as there could be potential for picking people who agreed with them. Ginny Hafner
14 agreed that it was problematic to have Council appoint a person for three years for an elected
15 position. She would be OK with the appointee serving a year or until the November elections.
16 Vaaler read from the charter, which was approved by voters, where it states Council appoints a
17 replacement to serve out the term. Hafner encouraged Council to get community members to be
18 involved in the selection. Mayor Moore indicated the interview process will be open to the
19 public. Ariana Carlson asked if there was a question about what applicants most love about the
20 community.

21
22 Council agreed to the following questions on the application:

- 23 1. What is your primary motivation for seeking this Council seat?
- 24 2. What do you think are the biggest issues facing the City?
- 25 3. What is your previous involvement with Council, Commissions, Committees or other
26 community service?
- 27 4. What other experience or education have you had relevant to being a Council member?
- 28 5. What are your major interests in or concerns with the Community?
- 29 6. What are your major interests in or concerns with City Departments or Administration?
- 30 7. Do you have any other major interests or concerns?

31
32 Vaaler suggested listing questions to be answered on separate pages so applicants do not feel
33 constrained by space to express their answers.

34
35 Mayor Moore suggested Council use the next meeting to set the interview questions. Vaaler
36 clarified that that they had not decided how they would proceed at the February 19, 2020
37 meeting. Mayor Moore indicated he would bring back a revised schedule for the application
38 process.

39
40 Duke Tracy asked that the Newsletter have information on the open seat.

41 42 **V. Reports**

43 **A. Financial Report**

44 Martha Jirovec noted the franchise fees are quarterly deposits and are on track. The marijuana
45 taxes are also on track. They are currently updating SDC fees.

1 Manager Beaucaire indicated a citizen had concern about financial reports and bookkeeping.
2 Manager Beaucaire indicated that she and Jirovec have been meeting to address concerns and
3 that Glenn has been involved. She indicated the citizen had recommended having an open
4 session.

5
6 Tom Lauritzen stated he had an expectation that the new software would be easy to implement
7 and to use. He suggested they are seven months from the go live date and there is still a
8 disconnect between the budget and the accounting, the beginning balances are not input, and the
9 financial reporting is not up to par. Jirovec explained processes they use and noted that COG has
10 had transition in their financial department. Lauritzen stated that he has done a number of
11 conversions and this transition was not very good and the fixes are taking way too long.

12
13 Bennett reported the Public Works and Streets Commission just got their reports and the format
14 looked fine. He had concern that these reports were being cut and pasted into a spreadsheet, and
15 he had hoped the software itself would generate the reports. Manager Beaucaire explained that
16 now that they have a better idea of what was wanted in the report, they can better develop a
17 system for creating the reports.

18
19 Don Groth noted a nuanced situation with the work in progress for beginning balances for water
20 and wastewater. Jirovec indicated she had that information to work with.

21 22 **B. Council Reports**

23 Vaaler reported at the Public Works and Streets Commission, Bob Bennet was voted to be Chair
24 and Don Groth was voted to be Vice-Chair. She noted two issues from their discussion of the
25 water policy and rate study:

- 26 1. The municipal code and the policy need to be checked against each other.
- 27 2. The Commission had several additional steps they wanted to add to what was presented.

28
29 Glenn reported he was pleased with the goal setting session and he has been following up on
30 information from that meeting.

31 32 **C. City Manager Report**

33 Manager Beaucaire reported there have been requests for adding audio files to the website. She
34 asked Helen Anderson to provide an update. Anderson explained the Agenda Center on the
35 website was designed to present media. She indicated the City needs a place to host the large
36 sound files, and stated there are third party hosting sites and Civic Plus does have its own
37 module. She recommended Soundcloud as a hosting site. She explained where they could see
38 an example of how the audio files would appear on the website. Manager Beaucaire indicated
39 there were other vendors for this hosting service and the Soundcloud option would not lock the
40 City into a contract. She added that they could examine how minutes are structured.

41
42 Manager Beaucaire stated the Economic Development Alliance was at Coastal Manager's
43 meeting. She indicated they were working to develop better communications and to develop
44 regional visions, especially around housing. Lincoln County has contracted with the Oregon
45 Association of Counties to look for facilitators for the different regions.

1 Manager Beaucaire reported she had a follow-up with facilitator from the goal setting session
2 who is currently preparing a report to include a spreadsheet of goals, available resources,
3 strengths and threats, and recommendations on utilizing Commissions and Committees.

4
5 Manager Beaucaire reported she has:

- 6 · Been reviewing the organizational structure and the study done in 2015
- 7 · Had HR interviews with staff to determine GAP analysis
- 8 · Observed staff and had discussions with team members and temporary staff
- 9 · Studied small, mid, and large city structures
- 10 · Tried to develop a structure to grow smartly and allow for professional growth

11
12 Manager Beaucaire identified three functional services areas: Administrative, Community
13 Services, and Public Works. She talked with the union about positions for a Community
14 Services Coordinator and an Administrative Assistant. For Planning, COG will be hiring a
15 Coastal Planner to share with Waldport and Toledo. This job description is forthcoming and
16 Yachats would get two days of planning support. She said Yachats' current Planner Dave
17 Mattison was working with Justin Petersen, a planner at COG, to help make the transition. She
18 indicated Peterson would not hold the coastal planner position. She hoped the planning position
19 could start as soon as March 2020.

20
21 Manager Beaucaire indicated that Code Enforcement was seasonal. She has talked to TCB, who
22 currently provides code enforcement for Toledo. She indicated TCB provides continuing
23 education, a 24-hour hotline, and possibly after-hour services. She is having TCB put together a
24 proposal for two days each week during business hours and an after-hours hotline.

25
26 She is looking at a blended position for other gap needs such as supporting code enforcement,
27 general services, janitorial services, minor facilities maintenance. This position would allow
28 Public Works to focus on their larger projects.

29
30 **VI. Other Business**

- 31 **A. From Mayor** – none
- 32 **B. From Council** - none
- 33 **C. From Staff** - none

34
35 Mayor Moore adjourned the meeting at 4:57 pm.

36
37 ATTEST:

38
39
40
41 _____
42 W. JOHN MOORE, Mayor

41 _____
42 Shannon Beaucaire, City Manager

43
44 Date: _____