

1 Depoe Bay City Council
2 Regular Meeting
3 Tuesday, June 1, 2010 - 7:00 PM
4 Depoe Bay City Hall

5
6
7 PRESENT: Mayor J. White, P. Cameron, C. Connors, B. Leff, J. Brown

8
9 ABSENT: D. Davilla, D. Zimmerman

10
11 STAFF: City Recorder P. Murray, City Field Superintendent T. Owings, Recording Secretary
12 E. LuMaye

13
14
15 I. PLEDGE OF ALLEGIANCE

16 Mayor White called for all to stand for the Pledge of Allegiance.

17
18 II. CALL TO ORDER

19 Mayor White called the meeting to order and established a quorum at 7:00 PM.

20
21 III. APPROVE MINUTES: May 13, 2010 Budget Committee Meeting, May 18, 2010 Workshop and
22 Regular Meetings

23
24 Motion 1: Leff moved to approve the minutes from the May 13, 2010 Budget Committee Meeting,
25 and the May 18, 2010 Workshop and Regular meetings. Cameron seconded the motion.

26
27 Mayor White said it was moved and seconded, and called for discussion. There was none.

28
29 Vote: Motion passed.

30 Ayes: Cameron, Connors (abstained from May 13 Budget Committee minutes), White,
31 Leff, Brown

32
33 IV. ACCOUNTS PAYABLE

34 Murray said Councilor Zimmerman had reviewed the Accounts Payable earlier in the day and
35 recommended approval.

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37 Motion 2: Connors moved to approve the Accounts Payable as submitted. Brown seconded the
38 motion.

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40 Mayor White said it was moved and seconded, and called for discussion. There was none.

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42 Vote: Motion 1 passed.

43 Ayes: Cameron, Connors, White, Leff, Brown

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45 V. SPECIAL ORDERS

46 A. Commissioner Bill Hall – Lincoln Community Land Trust

47 Commissioner Bill Hall addressed the Council with an update to last year's presentation on the
48 Lincoln Community Land Trust. He said the trust has acquired its first home, which they hope to
49 have on the market in a couple of months. He asked the Council to consider becoming a member of
50 the trust. Murray asked what would be involved other than the \$313 annual fee, as last year he
51 had mentioned waiver of System Development Charge (SDC) fees and reduction of property taxes;
52 he responded there are no requirements at this time. Mayor White said he would like the full
53 Council to have a say in this matter, and it will be scheduled on a future agenda.

54
55 B. George Lang – AFLAC

56 Devin Murphy 270 W 17th in Newport, spoke on behalf of Mr. Lang who was not present due to
57 recovering from surgery. He explained a bit about how AFLAC can benefit employees and the

1 variable cost of premiums, which can be as little as \$20 per month or as high as \$100. He said
2 there are no fees and no cost to the City. Premiums are deducted from participating employees'
3 paychecks pre-tax. Murray noted that City resources would be needed – there would be time spent
4 submitting premiums and recordkeeping. Murray also questioned pre-tax disability payments,
5 saying that the City would have to pay Social Security on those payments; Mr. Murphy said
6 disability premiums could be deducted after taxes to avoid this. Murray advised the Council that
7 what AFLAC offers is a "cafeteria plan", which the City has not had before, and the Council would
8 need to approve offering this type of insurance. Additionally, if the Council approved offering
9 cafeteria plans and another company wanted to offer similar services, employees would have the
10 option of choosing a different company, and there would be additional paperwork.

11
12 Motion 3: Connors moved that the City provide cafeteria plans for the employees. Leff seconded the
13 motion.

14
15 Mayor White said it was moved and seconded, and called for discussion. There was none.

16
17 Vote: Motion 3 passed.
18 Ayes: Cameron, Connors, White, Leff, Brown

19
20 Murray asked for clarification on what AFLAC needs from the City; a signature on the agreement,
21 tax ID number, pay period dates, and a start date for the plan. Mr. Murphy said there is no
22 requirement for a minimum number of employees to participate; if no employees participate,
23 AFLAC will go away. There was more discussion on premiums, which Mr. Murphy said some
24 customers pay as much as \$200.

25
26 Motion 4: Leff moved to authorize the Mayor to sign the AFLAC account acknowledgement
27 agreement. Connors seconded the motion.

28
29 Mayor White said it was moved and seconded, and called for discussion. There was none.

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31 Vote: Motion 4 passed.
32 Ayes: Cameron, Connors, White, Leff, Brown

33
34 C. Public Hearing: 2010-11 Budget Hearing

35 Murray said the budget was approved by the Budget Committee on May 13 and the hearing notice
36 had been published in accordance with Oregon budget law. The public comments period was
37 opened. Rick Beasley 140 Bayview Avenue, thanked City Staff and the Council for all their work. He
38 asked questions about the preliminary draft SDC study submitted by the HBH Consulting Engineers
39 (copy of his written questions with Murray's answers attached to original of these minutes). Owings
40 addressed Mr. Beasley's concerns about the water supply (the City has lots of storage) and the
41 City's fire-fighting ability (which isn't too much less than that of big cities). He said that the City
42 hasn't been out of compliance with water quality in a very long time; however, there are a few
43 mechanical problems that are being addressed. Public comment was closed. Murray said formal
44 adoption of the budget would take place at the next meeting. A Councilor expressed concern that
45 two Councilors were not present; it was noted that there would not be a full Council at the next
46 meeting either.

47
48 Motion 5: Brown moved to adopt the budget as approved by the Budget Committee, and direct
49 Staff to draft a resolution to bring back to the next meeting. Cameron seconded the motion.

50
51 Mayor White said it was moved and seconded, and called for discussion. A Councilor who wasn't
52 present for the last Budget Committee said she had concerns about what contributions the
53 Committee recommended for approval. She said that incoming funds are not fully adequate for
54 running the City, that 1½-2% of the unappropriated ending General Fund balance is what was
55 agreed on last year, but the amount actually budgeted for last year's contributions had been
56 miscalculated. This year's recommendation by the Budget Committee is far above 2%, and she
57 didn't feel this was fiscally responsible because certain incomes and expenditures cannot be

1 predicted. If the economy was stable and the City was flush with money, it would be different.
2 There was discussion about her comments. Her feelings of fiscal responsibility were echoed by
3 another Councilor, who said they shouldn't have to feel guilty about being responsible. Those who
4 felt the amount of contributions should be modified clearly said they support and contribute to the
5 non-profits, especially the children. It was stated that contribution percentages commonly run at no
6 more than 2% of available funds. Councilor Connors wanted to go on record as saying she supports
7 Neighbors For Kids (NFK), but the City doesn't have the funding they are requesting; the City just
8 isn't able to give the way it used to, and there are many other groups that also deserve funding.
9 Mayor White agreed with all points of view expressed. He said he'd been told the City needs to give
10 a lot of money to NFK for them to win grants, and that he felt the City had bent over backwards to
11 give the kids what they need, including the property their new building is on. He was dismayed that
12 the old building had been torn down so quickly instead of granting the food pantry director's
13 request that it be used for their food distribution. A Councilor asked what the total value of
14 donations, including cash and property, that the City has provided to NFK, and said there can't be
15 any doubt how dedicated the City is to supporting the kids.

16
17 Vote: Motion 7 failed.
18 Ayes: Brown
19 Noes: Cameron, Connors, White, Leff

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21 Motion 7: Leff moved to amend the budget to change the total non-profit contributions to equal 2%
22 of total resources minus expenditures, which is \$11,322.04. Connors seconded the motion.

23
24 Mayor White said it was moved and seconded, and called for discussion. A question was raised as
25 to how to distribute the money.

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27 Vote: Motion 7 passed.
28 Ayes: Cameron, Connors, White, Leff, Brown

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30 Motion 8: Connors moved to divide the approved amount of contribution funding as follows: no
31 donation to Fleet of Flowers, \$1,000 to My Sister's Place, \$2,000 to Senior Meals, \$1,500 to Depoe
32 Bay Food Pantry, \$1,000 to Taft Backpack Program, and the balance of approximately \$6,000 to
33 NFK. Cameron seconded the motion.

34
35 Mayor White said it was moved and seconded, and called for discussion. There was none.

36
37 Vote: Motion 8 passed.
38 Ayes: Cameron, Connors, White, Leff, Brown

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40 Murray will draft the resolution to adopt the budget, make the appropriations, and impose the ad
41 valorem tax, and bring back to the next Council meeting.

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43 VI. REPORTS OF OFFICERS, BOARDS, OR STANDING COMMITTEES

44 There were no reports.

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46 VII. PUBLIC COMMENTS

47 Maggie Brown 15 SE Ainslee, said Senator Wyden will be at the NFK building on Thursday from
48 12:45-1:45.

49
50 Phil Taunton 644 NE Hwy 101, reported that the Chamber of Commerce has spent approximately
51 \$4,700 of the \$4,999 from the City's contract; their fiscal year ends on July 31. He also questioned
52 the Council changing the Budget Committee's recommendations.

53
54 Rick Beasley asked if there would be a workshop to discuss the advertising line item in the budget
55 that was formerly specific to the Chamber of Commerce. The Council has agreed to hold a
56 workshop to discuss this, but it has not yet been scheduled.

57

1 VIII. UNFINISHED BUSINESS

2 There was no unfinished business

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4 IX. NEW BUSINESS

5 A. Engineering Services – South Water Tank

6 Owings said three Requests For Proposals (RFPs) were received, and that one was significantly
7 lower than the others. He was asked if references were available for the low bidder; Owings had
8 references, and additionally said that the bidder has previously done work on storm water drains
9 for Little Whale Cove and the residents are happy with the work. Because of the large discrepancy
10 in proposals, Owings was directed to call some of the low bidder's references. Mayor White asked
11 Owings to complete his Staff Report (copy attached to original of these minutes); Owings provided
12 updates on the new storage building, communications trailer, and Collins & Clarke Streets ramp do-
13 over.

14

15 B. Request to Schedule Event in City Park and Waive Fees – Bayside Chapel

16 Murray reviewed the request from Bayside Chapel to hold their annual church day in the park on
17 August 1, 2010, and to waive all fees and deposits (copy attached to original of these minutes).

18

19 Motion 9: Brown moved to accept Bayside Chapel's request to hold an event in City Park and waive
20 all fees and deposits. Leff seconded the motion.

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22 Mayor White said it was moved and seconded, and called for discussion. There was none.

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24 Vote: Motion 9 passed.

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26 Ayes: Cameron, Connors, White, Leff, Brown

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28 C. LOC – Legislative Priorities

29 Murray reported that the League of Oregon Cities (LOC) sent a letter (copy attached to original of
30 these minutes) asking for the City's top four priorities for 2011, and said a response is needed by
31 July 16. This item was tabled to the next meeting.

32

33 X. CORRESPONDENCE

34 There were three items of correspondence (copies attached to original of these minutes): 1) An
35 email from Jack & Maggie Brown regarding Senator Wyden's visit on Thursday, as reported by Mrs.
36 Brown earlier in this meeting. 2) An email from Representative Jean Cowan regarding a town hall
37 meeting on June 3 from 2-2:30 at the Hatfield Marine Science Center in Newport. 3) A letter from
38 the Fleet of Flowers thanking the City for their help and support. 4) A Readers' Choice Award for
39 the "best spot to watch waves" from the NewsTimes.

40

41 XI. CITY STAFF REPORT

42 See Item IX.A. for Owings' report. Murray was not asked for a report.

43

44 XII. COUNCIL COMMENTS

45 Leff personally thanked the Fleet of Flowers Committee and said the Mayor did a fabulous job.

46

47 Cameron said he will not be at the next meeting.

48

49 Connors said the Fleet of Flowers was really good and everyone did a fine job.

50

51 Mayor White 1) Personally thanked Councilor Leff, Dorinda Goddard, and all the volunteers who
52 worked to put together the Fleet of Flowers. 2) Got a cataract removed from his eye last week; the
53 other eye will be done next week. 3) Will be attending a mayor's conference in Cottage Grove at
54 the end of July. 4) Thanked everyone in the audience, Staff, and the Council.

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1 XIII. ADJOURN

2 There being no further business, the meeting was adjourned at 8:39 PM.

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James White, Mayor

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Emma LuMaye, Recording Secretary