

1 Depoe Bay City Council
2 Regular Meeting
3 Tuesday, June 4, 2013 - 7:00 PM
4 Depoe Bay City Hall

5
6 PRESENT: Mayor A.J. Mattila, B. Leff, S. Hoitink, S. Olsen, D. Goddard, R. Gambino

7
8 ABSENT: B. Berry

9
10 STAFF: City Recorder P. Murray, City Field Supervisor B. Weidner, Recording Secretary
11 E. LuMaye

12
13 I. PLEDGE OF ALLEGIANCE

14 Mayor Mattila called for all to stand for the Pledge of Allegiance.

15
16 II. CALL TO ORDER

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

18
19 III. APPROVE MINUTES: May 21, 2013 Regular Meeting

20
21 Motion 1: Goddard moved to approve the minutes from the May 21, 2013 Regular Meeting as
22 written. Gambino seconded the motion.

23
24 Mayor Mattila said it was moved and seconded, and called for discussion. There was none.

25
26 Vote: Motion 1 passed.

27 Ayes: Leff, Hoitink, Olsen, Mattila, Goddard, Gambino

28
29 IV. ACCOUNTS PAYABLE

30 Motion 2: Hoitink moved to approve the accounts payable as presented. Leff seconded the motion.

31
32 Mayor Mattila said it was moved and seconded, and called for discussion. There was none.

33
34 Vote: Motion 2 passed.

35 Ayes: Leff, Hoitink, Olsen, Mattila, Goddard, Gambino

36
37 V. SPECIAL ORDERS

38 There were no special orders.

39
40 VI. REPORTS OF OFFICERS, BOARDS, OR STANDING COMMITTEES

41 A. Harbor Commission Recommendation – Harbor Electric

42 Murray reviewed her memo dated 6/3/13 (copy attached to original of these minutes) regarding
43 recapturing the capital cost of electrical meters on the docks. Based on these figures, the Harbor
44 Commission moved to recommend not to impose a charge to recapture the capital cost of the
45 meters. Mayor Mattila said the Harbor Commission had good intentions but was ill-informed about
46 the costs, and he proposed to recapture the cost of the meters through a three-year annual fee of
47 \$108 for each of those moorage holders using electricity; and to add 4% to electric fees to recover
48 harbor electric costs (flood lights, fuel dock, etc.), as recommended by the Harbor Commission. A
49 Councilor said she had a problem charging moorage holders for something that is general
50 maintenance. She also said the money for the project was already approved and allocated in the
51 current fiscal year budget, and the project should be finished as planned. Another Councilor briefly
52 summarized the contents of a letter from Peggy & Rick Leoni at Trollers Lodge (copy attached to
53 original of these minutes) which spoke for harbor improvements and against moorage holders
54 paying for the new meters. Mayor Mattila said the meters would cost \$14,874 over what was
55 allocated, and half the meters would never be used except for emergency. A Councilor said the

1 project had \$69,000 allocated, and the total contract cost was \$52,918. Mayor Mattila asked
2 Murray if there was a \$14,000 deficit; Murray said grant funds paid for part of the project, and the
3 \$14,000 was the City's portion of the project. A Councilor summarized a spreadsheet of historical
4 harbor revenues and expenses dating back to 1992 (copy of Murray's memo dated 6/3/13 with
5 subject of "Harbor Revenue Sources" attached to original of these minutes); saying that from
6 1992-2006 the harbor operated at a deficit of about \$6,000 per year, and from 2006 to present,
7 the deficit is about \$80,000 per year, with the fuel dock alone losing \$11,000 per year. He also said
8 part of the reason the City is losing money on the harbor is because the Harbormaster is getting
9 paid \$50,000 per year to pump gas, which is a minimum-wage job. A different Councilor was
10 distressed to hear it said the harbor operates at a deficit because the harbor brings so many people
11 in to Depoe Bay, and she thought the focus should be that the City is in the black, not that the
12 harbor is in the red. Another Councilor suggested the Harbor Commission review the revenue and
13 expense spreadsheet closely, specifically the last five years. She also wanted to see vessel fuel
14 costs separated out from other expenses, and asked how much the fuel station really cost. Getting
15 back to the subject of meters, the point was made that the new meters are an upgrade, they are
16 City property, and moorage holders can't take the meters with them when they leave. A Councilor
17 said there are other assets that produce revenue for the City that don't use the harbor, like
18 WorldMark; audience participants were vocal in their disagreement with this statement, and a
19 Councilor took extreme exception to it.

20

21 Motion 3: Goddard moved to eliminate the surcharge.

22

23 Mayor Mattila wanted additional discussion before a motion was made. He said the harbor is a
24 jewel, but the City isn't in the business of subsidizing moorage holders, and the money could have
25 been more wisely spent. He said nobody's being punished, it's about money being spent on
26 something that's not needed. There was brief discussion about abuse of unmetered electricity at
27 the harbor in the past, which was why the City got meters. Councilor Leff called for the question; it
28 was noted the motion was not official.

29

30 Motion 4: Goddard moved to eliminate the surcharge that's been proposed to repay the \$14,874 it
31 will cost to put meters on the pedestals in the harbor; and that the City use the money that's
32 already been allocated in the current budget to finish this project. Leff seconded the motion.

33

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

35

36 Vote: Motion 4 was a tie vote and did not pass.

37 Ayes: Leff, Hoitink, Goddard

38 Noes: Olsen, Mattila, Gambino

39

40 Mayor Mattila said he understands how people feel and he was sorry if it's been painful for
41 anybody, but it's painful for him as well.

42

43 VII. PUBLIC COMMENTS

44 Bill Mills, C/V (charter vessel) Cha-son owner, said to put him on the "opt-out list for power"
45 because he won't pay for something he can't take with him. He said he didn't know Depoe Bay was
46 a retail store and he doesn't want to buy something he can't take with him. He said it's not right to
47 make somebody pay for a meter when they moor in the harbor.

48

49 Rick Hall, C/V Siamez owner, said it's a touchy issue for everybody. He wondered why Depoe Bay
50 does things different, and that everywhere in the world when you pay for moorage you get electric.
51 He said if it was a matter of \$14,000, to cut the moorage holders a break.

52

53 Dan Zimmerman, C/V Mariner operator, addressing the Councilor who talked about the
54 Harbormaster's salary, said if the Harbormaster is making \$50,000 a year, when the Harbormaster
55 retires, he would apply for his job; but he knows the Harbormaster doesn't make that much. He

1 said if the City's in trouble, it shouldn't fall back on moorage holders, and if the City wants to
2 charge more for moorage, to do something to improve the docks. He said it was an insult.

3
4 Noile Achen, 525 Lange, Tradewinds employee, and Harbor Commissioner, said she knows the
5 Harbor Commission is an advisory commission and that they did recommend doing away with the
6 meters, but said the City can't put this on the moorage holders. She said when you move into a
7 house you don't have to buy a meter, it's already there. She said it's unrealistic, it's wrong, and
8 moorage holders are a huge contributing factor to the City. She said it's a slap in the face.

9
10 Lars Robison, 635 Collins Street and Harbor Commissioner, said what hasn't been heard is the
11 comments by the smaller boat owners that don't use electricity and don't want to be charged. Why
12 jack up the rates whether or not electricity is being used? He wanted to remind people that
13 moorage holders have been putting in a lot of money for a lot of years. He remembers when they
14 took money out of the Harbor Reserve Fund to pave some streets and Mayor Jackson said "it's all
15 the same purse; it's all a big family". He also said WorldMark visitors are a huge contributor to the
16 charter fleet and they keep the charter businesses pretty busy. He also noted that WorldMark's
17 parent company, Jeld-Wen, donated the new aluminum ramps for the harbor. He wanted to go on
18 record as not being in favor of charging for the meters.

19
20 Loren Goddard, 15 SW Ellingson, owner and operator of a charter boat and business, said he was
21 offended by the intimation that the Harbor Commission has "flip-flopped" and been "wishy-washy"
22 on the issue of electric meters, and explained why the Harbor Commission changed their
23 recommendation. He took exception to the statement that nobody else uses meters, which is true
24 of some ports, but all ports have electricity and everybody that uses it pays one way or another
25 and that's the way business is done. He said the only truly equitable way to use electricity is to
26 meter it. He said he would use more electricity himself if it were not metered. He said the Harbor
27 Commission's motivations were pure, they are a volunteer body, and they've been slapped in the
28 face frequently.

29
30 Peggy Leoni, Trollers Lodge, referred to her letter mentioned earlier in the meeting. She said 50%
31 of her customers last weekend were people here to use the harbor. She said any business that
32 doesn't keep improving is going to fail, and the same goes for the harbor; it needs to be
33 welcoming. She said the historical spreadsheet indicates it might have been managed better, but it
34 still needs continual improvement just like parks, which are maintained and improved and are not
35 charged for.

36
37 There was additional discussion on projected moorage rates. A Councilor said the Audit Review
38 Committee (ARC) was given permission to work with the City's auditor and tasked with performing
39 a fiscal analysis at the last meeting; she suggested the ARC also look at harbor revenues and
40 expenditures. Mayor Mattila said the vote was taken and didn't pass, and that Staff would be very
41 busy crunching numbers the next two weeks. There was brief discussion about moorage rates in
42 general, and the condition of the older docks at the harbor.

43
44 Rick Hall, 205 South Point, distributed pictures (copies attached to original of these minutes) to the
45 Council and asked about the status of a fire hydrant that was moved and covered a year and a half
46 ago. Weidner replied that the hydrant was related to a project that was interrupted, but the project
47 should be finished later this year. Mr. Hall also asked about a pile of brush near his property that
48 he said the City needs to dispose of. There was a question as to the origin of the brush. Weidner
49 encouraged Mr. Hall to speak to him or other Staff directly about matters such as these, rather
50 than bringing them to the Council.

51
52 VIII. UNFINISHED BUSINESS

53 A. U.S. Coast Guard Auxiliary Safety Booth
54 Councilor Olsen reported the auxiliary has been fund-raising for the safety booth. The auxiliary
55 suggested the safety booth be owned by the City, which would also pay the cost of the insurance,

1 and enter into an agreement with the City for upkeep and electric service. An auxiliary member in
2 the audience stated the auxiliary provides insurance for the members who would be manning the
3 booth. (Copy of Murray's memo dated 5/31/13 regarding insurance attached to original of these
4 minutes.)

5
6 Motion 5: Leff moved to approve, in principle, the project described by Councilor Olsen: to take
7 ownership of the auxiliary safety booth and put it on the City's insurance, and authorize Staff to
8 develop an agreement for signature. Gambino seconded the motion.

9
10 Mayor Mattila said it was moved and seconded, and called for discussion. There was none.

11

12 Vote: Motion 5 passed.

13 Ayes: Leff, Hoytink, Olsen, Mattila, Goddard (with an exception), Gambino

14

15 B. Fish Plant Facility – Structural Assessment and Lease Comparables

16 Weidner reported he obtained three quotes from local certified building inspectors (copy attached
17 to original of these minutes). There was brief discussion.

18

19 Motion 6: Leff moved to accept the low quote of \$500 from Oregon Certified Inspection Service.
20 Gambino seconded the motion.

21

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

23

24 Vote: Motion 6 passed.

25 Ayes: Leff, Hoytink, Olsen, Mattila, Goddard, Gambino

26

27 C. City Meeting Video Recording Policy

28 On the question of Councilor Berry experimenting with videotaping Council meetings, Murray
29 reported the City Attorney said there are no big issues with this, but had recommended the Council
30 provide notice to the public when meetings are recorded, such a posting a sign saying "Please note
31 City Council meetings are video recorded" in the Council Chambers, and adding a notation to
32 agendas. (Copy of Murray's memo dated 5/31/13 attached to original of these minutes.)

33

34 Motion 7: Leff moved to post a notice in Chambers that proceedings may be videotaped and to put
35 a note across the bottom of agendas. Gambino seconded the motion.

36

37 Mayor Mattila said it was moved and seconded, and called for discussion. There was none.

38

39 Vote: Motion 7 passed.

40 Ayes: Leff, Hoytink, Olsen, Mattila, Goddard, Gambino

41

42 An unidentified audience member asked if all meetings would be taped; the reply was that only
43 Council meetings will be taped at this time.

44

45 D. CoastCom

46 Murray referred to an email from Greg Palser dated 6/1/13 (copy attached to original of these
47 minutes). Murray said she understood there is a time element involved for CoastCom, but the
48 Council could not adopt an ordinance tonight because the City Charter says proposed ordinances
49 must be published a minimum of one week before the adoption process begins. The Council
50 discussed the five items in the agreement that CoastCom requested be changed with Greg Palser,
51 President of CoastCom, who was present. Mr. Palser said CoastCom will install the fiber optic line to
52 City Hall (and Neighbors For Kids [NFK]) at no charge, and will supply free [fiber optic] internet
53 access to City Hall (and NFK). Mr. Palser said CoastCom wants to be good neighbors and to partner
54 with the City. A Councilor requested a statement be added to the agreement: "Grantee agrees to
55 provide internet service at no charge." Additional agreed-upon changes to the agreement were:

- 1) Section 3.1: "or shall pay Nine Thousand Six Hundred dollars per year, whichever is greater." will be deleted.
- 2) Section 3.2: "the chamber of commerce building, the fire district building," will be deleted.
- 3) Section 11.5: only subsection will be deleted
- 4) Section 15: the City will accept CoastCom's standard insurance, which meets the requirements in the current draft agreement.
- 5) Section 19: will be deleted.

Motion 8: Leff moved to approve the changes to the agreement as outlined in Mr. Palser's email dated 6/1/13. Olsen seconded the motion.

Mayor Mattila said it was moved and seconded, and called for discussion. Mr. Palser commented on changes made during discussion; moving Councilor Leff replied the changes discussed were included in the motion.

Vote: Motion 8 passed.

Ayes: Leff, Hoitink, Olsen, Mattila, Goddard, Gambino

Murray said the ordinance adoption process will be scheduled for the June 18 meeting.

IX. NEW BUSINESS

A. Harbor Revenue Sources

Discussion begun under Item VI.A. continued. A Councilor suggested the Harbor Commission appoint someone to work with the ARC and the City Auditor. There was additional discussion about port leases and cleanup of formerly-leased properties. A Councilor suggested the ARC review port lease documents at the same time as the revenues and expenses are reviewed. (Copy of Murray's memo dated 6/3/13 attached to original of these minutes.)

Motion 9: Olsen moved that the Audit Review Committee, and one additional member appointed by the Harbor Commission, review the historical spreadsheet on harbor expenses with the City Auditor, and also review the situation around the old harbor leases vacated seven years ago, and bring back a report to the Council. Hoitink seconded the motion.

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

Vote: Motion 9 passed.

Ayes: Leff, Hoitink, Olsen, Mattila, Goddard, Gambino

B. Request to Authorize Expenses – Oregon Mayor's Association (OMA) Summer Conference July 25-27, 2013

Murray said expenses were estimated at \$800 – to include registration, lodging, meals, and mileage. (Copy of OMA conference notice attached to original of these minutes.)

Motion 10: Goddard moved to authorize up to \$800 for the Mayor to attend the 2013 OMA conference in Corvallis. Leff seconded the motion.

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

Vote: Motion 10 passed.

Ayes: Leff, Hoitink, Olsen, Mattila, Goddard, Gambino

C. Request to Schedule an Event in City Park – Depoe Bay Chamber of Commerce Salmon Bake September 17-22, 2013

1 Murray noted the application from the Chamber of Commerce (copy attached to original of these
2 minutes) did not include much information, but was not aware of any change from previous years'
3 requests.

4
5 Motion 11: Goddard moved to approve the Depoe Bay Chamber of Commerce application for use of
6 City Park for the Salmon Bake September 17-22. Gambino seconded the motion.

7
8 Mayor Mattila said it was moved and seconded, and called for discussion. There was none.

9
10 Vote: Motion 11 passed.

11 Ayes: Leff, Hoytink, Olsen, Mattila, Goddard, Gambino

12
13 D. Proposed Ord. #296 – An Ordinance Re-enacting the Depoe Bay Economic Business
14 Development Committee; Declaring the Committee Will be Renamed at a Future Time;
15 Repealing and Replacing Ord. #200, #257, #272, and Section 1 of #267; and Declaring an
16 Emergency

17 Motion 12: Leff moved to perform the first and second readings of proposed Ord. #296 by title
18 only. Goddard seconded the motion.

19
20 Mayor Mattila said it was moved and seconded, and called for discussion. There was none.

21
22 Vote: Motion 12 passed.

23 Ayes: Leff, Hoytink, Olsen, Mattila, Goddard, Gambino

24
25 Murray performed the first reading of proposed Ord. #296 by title only, then called for comments
26 and questions from the audience. An unidentified speaker asked why there was a declaration of
27 emergency; Murray replied that this clause makes the ordinance effective immediately upon
28 adoption vs. 30 days later. (Copy of proposed ordinance attached to original of these minutes.)

29
30 Motion 13: Olsen moved to adopt Ord. 296 at the first reading. Leff seconded the motion.

31
32 Mayor Mattila said it was moved and seconded, and called for discussion. A Councilor noted there
33 was a small change from the original draft provided to the Council, and read the change into the
34 record. Councilor Leff called for the question.

35
36 Vote: Motion 13 passed.

37 Ayes: Leff, Hoytink, Olsen, Mattila, Goddard, Gambino

38
39 Murray said that because the vote at the first reading was unanimous, the Council could proceed
40 with the second reading this evening. With no objection heard, she performed the second reading
41 of proposed Ord. #296 by title only, and called for questions or comments from the audience.
42 There were none.

43
44 Motion 14: Leff moved to adopt Ord. #296 at the second reading. Hoytink seconded the motion.

45
46 Mayor Mattila said it was moved and seconded, and called for discussion. There was none.

47
48 Vote: Motion 14 passed.

49 Ayes: Leff, Hoytink, Olsen, Mattila, Goddard, Gambino

50
51 An unidentified audience member asked several questions about what will come next. A Councilor
52 said such questions should be asked outside of the meeting. Murray said the City would be posting
53 a notice on the website and that notices would be posted around town seeking applications to fill
54 Committee positions. It was noted that anyone interested in becoming a committee member (with

1 the exception of the Chamber of Commerce member) will be required to submit an application to
2 the Council for appointment.

3
4 Motion 15: Leff nominated Gambino as City Council member to the new committee. Goddard
5 seconded the motion.

6
7 Mayor Mattila said it was moved and seconded, and called for discussion. There was none.

8
9 Vote: Motion 15 passed.

10 Ayes: Leff, Hoytink, Olsen, Mattila, Goddard, Gambino

11
12 X. CORRESPONDENCE

13 There was one item of correspondence: the letter from Rick and Peggy Leoni already discussed. A
14 Councilor asked about a letter from the Mayor to President Obama (copy attached to original of
15 these minutes), and said she "absolutely loved" it and it was very effective and heartfelt. Another
16 Councilor was interested in having Jack Brown arrange for Murray to deliver a hard copy of the
17 letter to "somebody of significance" when she is on the east coast next week. There was no
18 objection.

19
20 Motion 16: Leff moved to authorize the letter from the Mayor to President Obama to go out as is.
21 Olsen seconded the motion.

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

24
25 Vote: Motion 16 passed.

26 Ayes: Leff, Hoytink, Olsen, Mattila, Goddard, Gambino

27
28 XI. CITY STAFF REPORT

29 Weidner reviewed his written report (copy attached to original of these minutes), and invited the
30 Council to tour the water treatment plant and the wastewater treatment plant in July. Weidner also
31 responded to an inquiry about Harbor Commission concerns about pins, saying the pin and hinge
32 are worn out but difficult to access, as a portion of a finger dock needs to be disassembled in order
33 to fix it. He said he would address this issue as soon as possible.

34
35 Murray reminded the Council that Depoe Bay Fire District volunteers, employees, and CERT have
36 been helping with the tsunami outreach effort. Saturday June 8 will be a door-to-door outreach
37 focused in the South Point area.

38
39 XII. COUNCIL COMMENTS

40 Gambino reported on the first CWACT (Cascades West Area Committee on Transportation) meeting
41 he attended, where Depoe Bay's south-of-bridge project was presented by City Planner Larry
42 Lewis. Gambino said COG (Council of Governments) said all projects were expected to be approved
43 for funding. He asked if everyone knew about the Eddyville tour; Murray responded she would let
44 the rest of the Council know about this.

45
46 Goddard said she's watched the City Park bridge project grow and grow, and asked the Council to
47 think about whether it should be shrunk back down to footbridge size, as it started.

48
49 Olsen mentioned the Neighbors For Kids building being certified; a Councilor said the building will
50 not be a shelter for a catastrophic event, only for a local event. Another Councilor said the Red
51 Cross will not deliver supplies to Depoe Bay, and that the City would have to build its own stashes.

52
53 Hoytink said he thought the Mayor's letter to President Obama was a good idea, and hopes it gets
54 action.

55

1 Leff, speaking to discussion by Rick Hall earlier in the meeting, said the fire hydrant is covered
2 because without proper water pressure, certain hoses won't even work on hydrants; and that there
3 are other hydrants in the area of the one that's not in use, so there is sufficient fire protection
4 available. Weidner said he would contact Mr. Hall to discuss both the hydrant and the brush pile.

5
6 XIII. ADJOURN

7 There being no further business, the meeting was adjourned at 9:07 PM.

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9

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16 _____
Emma LuMaye, Recording Secretary

A.J. Mattila, Mayor