

1 Depoe Bay City Council
2 Regular Meeting
3 Tuesday, May 6, 2014 - 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 Superintendent 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: April 15, 2014 Regular Meeting

20 Motion 1: Leff moved to approve the minutes from the April 15, 2014 Regular Meeting as submitted.

21 Goddard seconded the motion.

22

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

24

25 Vote: Motion 1 passed.

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

27

28 IV. ACCOUNTS PAYABLE

29

30 Motion 2: Hoitink moved to approve the Accounts Payable as submitted. Leff seconded the motion.

31

32 Mayor Mattila said it was moved and seconded, and called for discussion. There was brief discussion.

33

34 Vote: Motion 2 passed.

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

36 Abstain: Olsen

37

38 V. SPECIAL ORDERS

39 A. Dave Crimp, Clearwater Engineering – Fish Plant Engineering Report

40 Dave Crimp reviewed his Fish Plant Engineering Report (copy attached to original of these minutes). He

41 said the overall plan is to fix the plant and make it rentable by the end of the year; he estimated the

42 cost of these improvements to be between \$50,000 and \$75,000. He said the cost of bringing the

43 building up to standards for commercial/public vs. industrial use would be hundreds of thousands

44 of dollars. He said he conducted a small straw poll of about a dozen people, and some felt the building

45 should be fixed up and rented. The people polled were promised confidentiality, and Staff has been

46 provided with a list of names of those polled. He said repairs would only take a couple of months once

1 financing was available. He felt that fixing the jib/hoist and painting the building would make it more
2 appealing to the public. He said the main repairs could be done for \$56,000. There was a period of
3 questions and answers. Holding a workshop to discuss the future of the building was suggested; Mr.
4 Crimp said he would attend as many meetings as the Council wanted; there would be no additional
5 charge, as this would be covered by his contract. There was also public input from Maggie, who had
6 concerns about: 1) transient employees making minimum wage and having nowhere to live creating an
7 environment of crime, littering, and drug and alcohol use; the City has no police force to deal with that
8 situation. 2) The smell from the existing fish cleaning station is horrific in the summer on South 40,
9 where she lives. 3) The plant would be noisy 24/7. 4) Shell Avenue is a narrow road, and with trucks
10 going up and down there would be nowhere for pedestrians to get out of their way, and insufficient
11 room for two-way traffic. 5) The \$56,000 starting price wasn't likely to be the final cost. 6) She urged
12 the Council to get public input. 7) She asked how this would benefit the citizens of the town, and
13 suggested looking at the fish plant in Newport. There was additional Council discussion on the poll; the
14 Council will be forwarded a sanitized list of the questions and answers. This item will be continued on
15 the next agenda.

16

17 B. Interview/Appoint Applicants for City Commissions and Committees

18 Parks Commission applicant Michael Granat was unable to be present. Murray asked the Council if they
19 wanted to proceed with the vote without interviewing Mr. Granat. There was no objection.

20

21 Ballots were filled out, signed, and handed in. Murray tallied the votes (copy of ballot and application
22 attached to original of these minutes) and announced the results. The vote to appoint Michael Granat
23 to the Parks Commission was unanimous.

24

25 Motion 3: Leff moved to accept the canvass of votes and appoint Michael Granat to Parks Commission
26 Position #3. Goddard seconded the motion.

27

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

29

30 Vote: Motion 3 passed.

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

32

33 C. Proclamation – Older Americans Month, May 2014

34 Murray read the proclamation into the record.

35

36 Motion 4: Goddard moved to proclaim May 2014 as Older Americans Month and have the Mayor sign
37 the proclamation as of this date. Gambino seconded the motion.

38

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

40

41 Vote: Motion 4 passed.

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

43

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

45 Leff provided an update on the promotional video for the City. She gave a huge thank you to Mayor
46 Mattila, who has been a big help. She said there is an issue with the City's logo, which won't work well

1 for video due to the large amount of detail. Mr. Shippey, the video's producer, has suggested having an
2 artist work with the logo to make it usable, which would add about \$200 to the cost of the project. The
3 City would have the rights to the modified logo when finished. There was no objection to this. She said
4 the video should be available shortly.

5

6 Olsen reported he attended the medical marijuana workshop, where there were great speakers and
7 interesting topics. Most of the attendees were law enforcement and legal staff. He said the City will
8 need to decide whether or not it wants to permit dispensaries, but to be aware that cities that have
9 banned the dispensaries are open to liability. Cities allowing dispensaries are regulating them through
10 business licenses and zoning. He has asked the Planning Commission chair to look at this, and
11 sometime before September the Council needs to look at making it work in an acceptable way. A
12 Councilor asked if a marijuana tax could be collected; yes it can.

13

14 VII. PUBLIC COMMENTS

15 Cindy Miller 127 South 40 said City Park is overgrown and un-manicured, and this is not welcoming.
16 She asked why the City would spend money on a large "welcome" rock when the park is not
17 maintained. She also asked about a pile of bark dust under the basketball hoop; Weidner said the
18 County work crew was supposed to spread it but their schedule has been changed; it should be done
19 soon. Ms. Miller said she doesn't want to smell a fish plant, either. Addressing Councilor Leff about the
20 fish plant, she said she would love to help if surveys are done of people that live here.

21

22 Maggie Thomas, Parks Commissioner, said there still isn't any grass laid where it's been so destroyed
23 during City Park bridge construction near the playground, and she would like to see this done while the
24 weather is still kind of wet. She didn't know where the new playground boat would go because there's
25 hardly any sand left. Weidner explained the playground boat's installation process, and said more sand
26 would be brought in at the end of the installation. He said the Lincoln County work crew really helps.
27 Ms. Thomas would like to get the Kids Zone involved if any more trees are planted, because they'd
28 enjoy doing that.

29

30 Richard Huntpalmer, 235 Hazelton Place, addressed the Council on behalf of the Chamber of
31 Commerce. He read his Chamber of Commerce letter dated 5/6/14 (copy attached to original of these
32 minutes) into the record; the letter was in response to concerns raised about the Chamber at the last
33 Council meeting.

34

35 Jesse Caldwell, South 40 resident, said she has lived in Depoe Bay for over 30 years, and the South 40
36 area used to be kept up. In the last three years the whole area has changed because everybody's trying
37 to fix it up. She was frustrated because she, along with a half dozen others, submitted a complaint last
38 year, and she said nothing had been done. She also complained about trash behind the Wig-Wam
39 restaurant. Weidner said he has taken over as City Superintendent, and he will pull the file and review
40 the incidents. He said he is aware of the problems with the property that's north of the Chinese
41 restaurant. Ms. Miller added there is an old motel across from Councilor Olsen's restaurant that is run
42 down. Councilor Leff recommended Weidner and Ms. Caldwell discuss this outside of the Council
43 meeting. Mayor Mattila said the County has jurisdiction over property that's run down, and asked
44 Murray to call the County and find out.

45

46 VIII. UNFINISHED BUSINESS

1 A. Economic Development Committee Request to Initiate Text Amendment to Ord. #24, the
2 Depoe Bay Zoning Ordinance, to Allow Tourist Accommodations in All Zones of the City
3 Bruce Silver, 420 SW Cardinal Street, read his written statement (copy attached to original of these
4 minutes) into the record.

5
6 Murray said other written correspondence had been received on this issue: a letter dated 5/4/14 from
7 Dave Stitz on Point Avenue (copy attached to original of these minutes); and a request from Stan Tiede,
8 who called yesterday asking if his written input from the last meeting (copy attached to original of
9 these minutes) could be read into the record. There was no objection, and Murray read Mr. Tiede's
10 letter into the record.

11
12 Terry Wideman, 325 Coast St, asked the Council to verify that this issue was sent back to the Planning
13 Commission, as he read in the newspaper, and he asked what initiating a text amendment means,
14 what citizens can expect, and when they can have input. Leff, referring to items of correspondence
15 involving the resignation of four people from the Economic Development Committee (EDC) and saying
16 she believed it to be relevant, suggested this subject be tabled. Olsen said he could see both sides of
17 the issue, but that the City needs more revenue, and how do you do that. He wondered if the
18 developer of The Hills would be interested in allowing tourist accommodations in the development
19 only, and suggested having the City Planner contact the developer to find out. Leff said there's still a
20 lengthy process involving public hearings that would have to be done. Olsen said his best sense is that
21 this isn't wanted by the majority of the town. Mr. Wideman said there are different options, such as
22 putting it on the ballot, or isolate it and try it as a test program, or apply it to all zones in the city. He
23 supported what Mr. Silver said about the EDC and the Council and their role in this. He mentioned the
24 resignations from the EDC, and said the EDC report was submitted and it is up to the Council to give
25 direction on what the future of this issue would be. He said he didn't know of anyone in his
26 neighborhood who was in favor of this action. Mayor Mattila said the resignations were a surprise to
27 him, and asked Gambino if he had any input on the resignations; Gambino replied nothing that he
28 could share in the meeting. Leff held up a letter that was supposed to be read into the record tonight
29 and said it outlined exactly why the committee members resigned. Olsen responded to Mr. Wideman's
30 concerns, saying from his perspective the City was not moving forward with opening up tourist
31 accommodations in residential zones at this time.

32
33 Motion 5: Goddard moved to put to rest the idea of a change of text amendment to Ordinance 24 and
34 allowing tourist accommodations in all zones of the City. Hoitink seconded the motion.

35
36 Mayor Mattila said it was moved and seconded, and called for discussion. There was none.

37
38 Vote: Motion 5 failed.

39 Ayes: Leff, Hoitink, Goddard

40 Noes: Olsen, Mattila, Gambino

41
42 Murray said a tie vote causes the motion to fail to pass. Gambino said he has heard the negativity and
43 comments and thinks it's a dead issue. Olsen would like to see a letter go to the developer.

1 Motion 6: Leff moved to direct the City Planner to contact the developer of The Hills to see if he'd be
2 interested in some sort of an experiment in tourist accommodations to be limited to that development
3 area, and that in all other areas of the City there would be no changes. Olsen seconded the motion.

4
5 Mayor Mattila said it was moved and seconded, and called for discussion. There was none.

6
7 Vote: Motion 6 passed.

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

9

10 Mr. Silver asked the Council if they were aware there's a mechanism called an overlay in place to deal
11 with defined areas; they were.

12

13 B. Letter from Living Pacific Seafood, LLC – Leasing of Fish Plant

14 Mayor Mattila referring to a letter from Living Pacific Seafood (copy attached to original of these
15 minutes), asked a gentleman from the audience [assumed to be Geoffrey Molfino, author of the letter]
16 to come to the podium to discuss this item. Mr. Molfino said he was once again approaching the City to
17 see if he could work a deal on the fish plant. He said the company is doing quite well, he's getting a lot
18 of demand for things that require a plant, and facilities are really limited. There was discussion about
19 the possibility, if they rented the fish plant, that they would take over the maintenance of the public
20 bathrooms there, and things like that that are community service ideas. He said he was totally open to
21 those kinds of things. He said he was happy to agree with the engineer's report. He said that type of
22 building takes a fair amount of beating in its normal business activity, so none of them are pretty after
23 they've been in operation for a while. He said he hoped they could come to an agreement and had
24 great confidence in some of the approaches that had been made to him for services that people want.
25 Speaking to a concern raised during the engineer's report, he said none of his employees work at
26 minimum wage and they live in houses. He said his immediate needs were for additional refrigerator
27 space, an ice machine, and access to ice. Mayor Mattila said he was interested in Mr. Molfino's
28 proposal for removing fish carcasses in the sport area and other places and disposing of them, and
29 asked if eliminating the problem with the unsanitary conditions was part of his plan; Mr. Molfino
30 responded that it was – there are solutions and he is more than willing to be involved in that. Mayor
31 Mattila said he'd spoken with Trident, who is willing to take the carcasses, but they must be free of
32 debris. Mr. Molfino said that what we need to do as a group is to look at what the situation is and
33 figure out how to manage it a little differently. He reiterated what he's said each time he comes in and
34 tries to lease the building: that he has no intention of not looking to cause the City to incur costs, and
35 he's of the philosophy that private business pays its own way. If the City makes the repairs to the
36 building, he is relieved of that cost and a higher rent structure could be looked at. He said he plans on
37 having offices and bathrooms upstairs, and would want to refurbish the processing area. He said there
38 are tried and true indemnifications through insurance that he's been involved with in practically every
39 building he has rented, or owned and leased to other people; he currently has a \$2 million indemnity
40 policy with Newport. Regarding urban beautification, he said it would be in his best interest as a
41 business to have a little more eye-appealing facility, and one of their intentions is to have a small retail
42 seafood operation. His partner is Liu Xin, who owns Oregon Oyster and has a great interest in having a
43 fish counter, and in order to do things like this you need more curb appeal. He said living on the coast
44 painting is normal maintenance that costs more if you don't do it routinely, and if the public wants a
45 certain image or color, it could be discussed. He again stated his interest in the facility and that he's
46 under a lot of pressure from people who want him to do certain things. He said he's located a new

1 hoist that's knuckle-articulated that would be incorporated fairly soon to make the loading safer; the
2 lack of speed of the City's existing hoist is of concern for unloading. He hopes to get further down the
3 road in discussions, and noted that time is always an issue. Goddard said she was lost, and that
4 apparently there were meetings or conversations about him doing restroom maintenance and helping
5 find solutions for fish waste? Mr. Molfino said there were conversations within the fishing community
6 and with people here in town, that there were issues, and he sees the problem and it happens every
7 place where there is public access to the water or where they can come in and clean their fish. He said
8 Newport has shown it can be done properly if it's managed well. Goddard clarified Molfino was talking
9 about the public fish cleaning station in the parking lot, and asked if he was talking about the City-
10 owned restrooms; Mr. Molfino confirmed this was correct. Goddard said she was confused about
11 those kinds of offers. Mr. Molfino said he understands the community has needs and probably he can
12 address some of them from his side of the fence with the people he's got in place working. Goddard
13 asked about a second partner; Mr. Molfino said he and Jerome Grant have known each other for 30
14 years and have worked together in fishing, and were initially partners in Living Pacific. He said Grant
15 had specific duties he didn't have time for and he lost interest in the business when he found it was
16 not a get-rich-overnight proposition. Mr. Molfino spoke about the length of time and investment it
17 takes to start up a business and make a profit; he and Mr. Grant had differences of opinion, and that
18 Mr. Grant wasn't suited for the business. He said Liu Xin was also a partner from the beginning.

19

20 IX. NEW BUSINESS

21 A. Revocable City Property Use Permit – Depoe Bay Rural Protection District Shipping 22 Container

23 Leff corrected the agenda item to "...Depoe Bay Rural **Fire** Protection District...", and noted that the
24 new Assistant Fire Chief, Bill Johnson, was present. She said she didn't think there was any conflict of
25 interest, as she is the Board President of Depoe Bay Fire, but she probably wasn't the one that should
26 make the motion.

27

28 Motion 7: Olsen moved that we enter into the Revocable City Property Use Agreement with the Depoe
29 Bay Rural Fire Protection District, and authorize the Mayor to sign the document. Hoitink seconded the
30 motion.

31

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

33

34 Vote: Motion 7 passed.

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

36

37 Mayor Mattila signed the document. Leff will have it signed at the next fire department meeting and
38 bring it back.

39

40 B. Central Lincoln PUD Franchise Renewal – Policy Questions

41 Murray reviewed her memo dated 5/5/14 (copy attached to original of these minutes). She said City
42 Attorney Christy Munson is asking: 1) If the City is interested in asking for more than 3.5% in franchise
43 fees. There was brief discussion, during which it was noted that any charge over 3.5% would show on
44 customers' bills, and that previous Council discussion had been to have all franchises pay the same fee.
45 Murray said that statutes come into play, and different services have different maximums; she also
46 said that the agreement is enacted through the City's ordinance adoption process. 2) Does the Council

1 want wording in the Ordinance as strong as it can be toward undergrounding? and 3) Does the Council
2 want to add verbiage to require notification to the City and/or landowners prior to pruning or cutting
3 trees in the right of way? There was brief discussion. Goddard said for negotiation reasons, we should
4 put in the strongest wording we can put in for the undergrounding of electrical wires, and that we
5 should also put in the strongest language we can put in for the pruning and cutting of trees and
6 notifications. She also believed we should at this time go for the maximum rate of 5%, have the public
7 hearing, see what comes out of it, and go from there. Leff agreed because at this point it's all
8 negotiation.

9

10 Motion 8: Goddard made that a motion. Leff seconded the motion.

11

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

13

14 Vote: Motion 8 passed.

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

16

17 C. 2014 OMA Summer Conference Scholarship

18 Murray said Mayor Mattila has indicated he plans to go to the summer conference in Pendleton, and
19 the City has received notice of a scholarship opportunity (copy attached to original of these minutes)
20 for a village of our size – population below 1,500 – to apply for a full scholarship, a \$521 value which
21 includes the registration fee, lodging, and conference meals. She asked the Council's authorization to
22 submit an application for scholarship for the Mayor to go to Pendleton.

23

24 Motion 9: Leff so moved. Goddard seconded the motion.

25

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

27

28 Vote: Motion 9 passed.

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

30

31 D. Proposed Res. #433 – A Resolution Extending Workers' Compensation Coverage to
32 Volunteers of the City of Depoe Bay for Policy Year 2014-15; Superseding Res. #428

33

34 Motion 10: Leff moved to approve Res. #433. Hoitink seconded the motion.

35

36 Mayor Mattila said it was moved and seconded, and called for discussion. There was brief discussion
37 about volunteer insurance instead of workers' comp insurance and how the workers' comp insurance
38 amount is figured.

39

40 Vote: Motion 10 passed.

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

42

43 (Copy of resolution attached to original of these minutes.)

44

45 X. CORRESPONDENCE

1 There were three items of correspondence (copies attached to original of these minutes): 1) A letter of
2 resignation from the EDC from Ken White. 2) A letter of resignation from Michael Kiefer, resigning from
3 his position as Planning Commissioner and as Chair of the EDC. 3) A letter of resignation from the EDC
4 from Michael Granat and Pat Dunlop that they have asked to be read into the record. There was no
5 objection, and Murray read the letter into the record, noting that Ken White and Bob Blessinger, both
6 former EDC members, had signed in support of the statement. Murray said what usually happens is
7 that the Council considers and typically accepts the resignations, thanks them, declares the vacancies,
8 and directs Staff to post notices for filling the vacancies.

9

10 Motion 11: Olsen moved to accept the resignations of all those four members, thank them for their
11 service, and post the assignments online.

12

13 Motion failed for lack of a second. Leff asked Gambino, as the only Councilor on the Committee, what
14 happened; Gambino said it was a good question, but he'd hold his tongue.

15

16 Motion 12: Goddard moved to accept the resignations and thank the people for their service. Leff
17 seconded the motion.

18

19 Mayor Mattila said it was moved and seconded, and called for discussion.

20

21 Vote: Motion 12 passed.

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

23

24 There was brief discussion about Michael Kiefer's Planning Commission resignation.

25

26 Motion 13: Leff moved to accept Michael Kiefer's resignation from the Planning Commission and post
27 the vacancy. Gambino seconded the motion.

28

29 Mayor Mattila said it was moved and seconded, and called for discussion. There was brief discussion.

30

31 Amendment: Leff amended her motion to accept Michael Kiefer's resignation from the Planning
32 Commission and the EDC, and to post the Planning Commission vacancy. Gambino accepted the
33 amendment.

34

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

36

37 Vote: Motion 13, as amended, passed.

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

39

40 XI. CITY STAFF REPORT

41 Murray reported she had spoken with City Attorney Munson yesterday, who said progress had been
42 made with Wave, but Wave has stopped communicating. So we're going to present what we're going
43 to present. Murray would like Ms. Munson to meet with the Council regarding rolling in other services
44 such as internet and voice over internet because the agreement in negotiations is only for TV cable.
45 There was no objection.

46

1 Weidner reported 1) He had been sending correspondence and pictures of broken parts relating to
2 Dock 1 to the City Attorney, and that it might be necessary to get a diver to go down and take pictures.
3 He said the City Attorney wanted to make sure all parties are responding, and they are. 2) The results
4 of TV'ing the sewer main have been pretty good. It's never been cleaned, so high velocity must be
5 keeping it clean. He said a couple of covered manholes have been found by Boiler Bay. 3) Sludge
6 hauling has been delayed; signs have been posted.

7

8 XII. COUNCIL COMMENTS

9 Leff said 1) At the Budget Meeting, \$40,000 was moved out of the Parks Fund so it could be used for
10 pothole maintenance, but personnel is a different issue. There has only been one person working in
11 parks maintenance, and he does more than just parks. Something will need to be done, and it might
12 mean hiring a part time person. She wanted Staff to look at this and let the Council know what needs
13 to be done; Weidner was directed to figure how many hours and dollars are needed, and come back to
14 the Council with a report. 2) The Budget Committee talked about getting rid of the concrete bomb at
15 the waterfront. With the Assistant Fire Chief present, the Council should find out what the City can do.
16 She said the Council should direct that this be looked into, because it's a safety issue for the guys every
17 time they go in there to read a meter; it's a life safety issue. She said the Council needs to authorize
18 Staff to talk to the Fire District about what can be done to mitigate that danger.

19

20 Motion 14: Goddard made that a motion. Leff seconded the motion.

21

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

23

24 Vote: Motion 14 passed.

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

26

27 Goddard had a personal request: she asked to be moved by the window, where cool air comes into the
28 room. There was no objection.

29

30 XIII. ADJOURN

31 There being no further business, the meeting was adjourned at 9:37 PM.

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A.J. Mattila, Mayor

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Emma LuMaye, Recording Secretary

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