

1 Depoe Bay City Council
2 Regular Meeting
3 Tuesday, June 3, 2014 - 7:00 PM
4 Depoe Bay City Hall

5

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

7

8 STAFF: City Recorder P. Murray, City Superintendent B. Weidner

9

10

11 I. PLEDGE OF ALLEGIANCE

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

13

14 II. CALL TO ORDER

15 Mayor Mattila called the meeting to order and established a quorum at 7:07 PM.

16

17 III. APPROVE MINUTES: May 20, 2014 Regular Meeting

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

19 Berry seconded the motion.

20

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

22

23 Vote: Motion 1 passed.

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

25

26 IV. ACCOUNTS PAYABLE

27

28 Motion 3: Hoitink moved to approve the Accounts Payable as submitted. Gambino seconded the
29 motion.

30

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

32

33 Vote: Motion 2 passed.

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

35

36 V. SPECIAL ORDERS

37 A. Budget Hearing – Fiscal Year 2014-15 Approved Budget

38 Murray said notice of the hearing and financial summary was published in the newspaper, and the
39 purpose of the hearing is for the Council to get input from the public on any matter of the approved by
40 the Budget Committee budget. She also noted comments regarding the City's election to receive State
41 Revenues from cigarette, liquor, and gas taxes were welcome. Mayor Mattila asked for comments from
42 the audience; there were none. He then asked for comments from the Council. Berry questioned the
43 Page 3 \$300 line item for drug testing, saying drug test kits are available from a drug store for \$27.
44 Murray said the City can't do that. Mayor Mattila said on budget acquisition the Council could include,
45 in other funding, up to 10% of the total budget. He said he would like to see Kids Zone included in this
46 funding. Goddard said she was disappointed not to see in the audience any of the Neighbors For Kids

1 (NFK) Board members that visited her last week to discuss this subject. She said they were distraught
2 this was happening, and see it as a blow to the public relations they've been working on so hard. She
3 said they haven't applied for any funding, and at this point in time it isn't needed; she said she had
4 been assured they would be applying for funding in the future. Olsen said he had opposite
5 conversations with some of the NFK Board members, who were also not present, and that he was
6 assured if money came their way, they would take it. Mayor Mattila said he also heard opposite
7 opinions, and it still boils down to the same thing: it's a wonderful organization, and he would like to
8 see any funding the City can give to them, same as the food pantry and the Chamber of Commerce. He
9 asked for a motion to make the funding happen. Murray responded to a question about the need for
10 the entire Budget Committee to be present by reading a page from Oregon Department of Revenue
11 Local Budgeting Manual, Chapter 11 – The Budget Hearing and Adopting the Budget (copy attached to
12 original of these minutes): *"If the total increase in no fund exceeds \$5,000 or 10%, whichever is greater,
13 then no additional process steps are required."*

14

15 John O'Brien 270 Bensell Avenue, said he would like to see a financial report from NFK as the Council
16 considers funding their program – a report similar to what was received from the Chamber of
17 Commerce.

18

19 Berry said the City makes a promise to the Chamber that if they do what they do, then the City
20 provides payment, and asked why the City couldn't do the same thing for NFK? Olsen asked what the
21 parameters would be; Berry said they would have to show their expenses and what they've done for
22 the community, just like the Chamber does. Leff said that would make it a contract, not a grant.
23 Goddard wanted to make clear the difference between a contract for services and a charitable
24 donation. Berry said they do provide a service to the community, and employees of the business
25 community rely on NFK to watch their children. Goddard said NFK and Kids Zone is a wonderful thing
26 and she loves the programs they've got going on, but her point was: to talk about this and the
27 Chamber contract in the same context doesn't work; the City doesn't know if NFK wants to enter into a
28 contract, and this isn't something the City can arbitrarily do. She said the contract with the Chamber is
29 for reimbursement for advertising for the City of Depoe Bay, and she thought Mayor Mattila was
30 talking about making a charitable donation to NFK. She said these are two separate things. Mayor
31 Mattila agreed that that was what he was talking about, and wanted to get on with making a decision
32 on whether the City was going to make a donation to NFK. There was brief discussion regarding
33 dialogue at the last Council meeting.

34

35 Motion 3: Gambino moved that we make a charitable donation of \$4,999 to NFK to be appropriated
36 against the contingency in the General Fund.

37

38 Gambino asked if that is how it works; Murray said it shouldn't come out of contingency, which is
39 intended to cover unexpected costs. She said normally charitable contributions come out of the
40 General Fund. If the motion is seconded and passes, a line would be added on Page 3: "Contribution to
41 NFK". The General Fund expenses would be increased by the contribution amount, thereby reducing
42 the Page 2 Unappropriated Ending Fund Balance by the contribution amount.

43

44 Gambino so moved. Olsen seconded the motion.

45

1 Mayor Mattila said it was moved and seconded, and called for discussion. Goddard said there is a rule
2 that if an organization wants a charitable contribution, they have to supply to the Budget Committee a
3 request for contribution, with all financials and the purpose the request will be used for. She asked if
4 this motion was negating that rule. She noted this was what Mr. O'Brien was asking for. Mayor Mattila
5 said this item was on the budget agenda at his request, and he would like to see NFK have more
6 financing to help them along the way. Olsen asked Gambino to amend his motion slightly to include
7 with the remittance of money that NFK submit their financials as every other organization that gets a
8 charitable donation.

9

10 Amendment: Gambino agreed to amend his motion to that. Olsen accepted the amendment.

11

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

13

14 Vote: Motion 3, as amended, passed.

15 Ayes: Olsen, Mattila, Gambino, Berry

16 Noes: Goddard, Leff, Hoitink

17

18 Murray noted that Res. #435, to adopt the budget, make the appropriations, and impose the tax, was
19 on the agenda, and advised the Council to remember this action when adopting the budget so
20 adjustments can be made to the Resolution.

21

22 Mayor Mattila closed the public hearing.

23

24 B. Proclamation – Depoe Bay's Day to ASK – June 21, 2014

25 Monica Kirk 3755 Rocky Creek Avenue, addressed the Council regarding this Proclamation (copy
26 attached to original of these minutes, with copy of supporting letter from Rep. David Gomberg)
27 regarding child safety in locations with potentially unsecured firearms. Mayor Mattila said he has given
28 this matter much consideration over the past two weeks, and he personally felt he would be in
29 violation of Second Amendment rights and First Amendment infringement. He said the Council could
30 vote as they wish, but his vote would have to be no. Berry said he had an opposite pull, because while
31 he believes everybody should own a gun, he also believes everyone should be responsible for their
32 weapons. He said he didn't need a law to ask, and he would vote yes for this Proclamation. Gambino
33 said he's a long-time gun advocate, owns many guns, and when his children were small his guns were
34 always locked up, and he asked the neighbors they were going to play with if they had accessible guns.
35 He also taught his children not to touch a gun if they were to find one. He said that's responsible gun
36 ownership. He said in general these things tend to have an affiliation with anti-gun sentiments, and
37 he's against that; and he had visited a certain website which had content he found objectionable to
38 him as a gun owner, and he would have to vote no on adopting the Proclamation, as getting behind the
39 organization is against his judgment. Ms. Kirk said National ASK Day is a national campaign. In Oregon
40 there's a group called Cease Fire Oregon Educational Foundation which has been around for about 20
41 years, and they provided the bulk of the brochures; they do not lobby. She said that group was
42 different from Cease Fire Oregon. She said ASK only speaks to responsible gun ownership.

43

44 Motion 4: Leff moved to approve the ASK Proclamation and if the Mayor is uncomfortable signing it,
45 perhaps the Council President could sign it. Mayor Mattila said he would speak for himself. Hoitink
46 seconded the motion.

1
2 Mayor Mattila said it was moved and seconded, and called for discussion. Mayor Mattila said he
3 would, on a positive vote by the Council, most happily sign the Proclamation.

4
5 Vote: Motion passed.

6 Ayes: Goddard, Leff, Hoitink, Berry

7 Noes: Olsen, Mattila, Gambino

8
9 VI. REPORTS OF OFFICERS, BOARDS, OR STANDING COMMITTEES

10 Loren Goddard 15 SW Ellingson Street, said he was nominated by OCZMA to take a seat on the Ocean
11 Policy Advisory Council, the nomination went before the Governor and the State Senate, and the four-
12 year-term appointment was approved. Congratulations were offered.

13
14 Mayor Mattila asked Weidner for an update on the City Park stone welcome sign. There was brief
15 discussion.

16
17 VII. PUBLIC COMMENTS

18 Beatrice Ray 142 SE Ainslee Avenue read from a prepared statement, addressing the Council about
19 supporting both the Chamber of Commerce and Kids Zone.

20
21 VIII. UNFINISHED BUSINESS

22 A. Fish Plant Engineering Report

23 Weidner reported that improvements have been categorized into two phases, with Phase 1 being
24 overall improvements, and Phase 2 being improvements to be done by a renter (copy of memo dated
25 6/3/14, including improvements schedule attached to original of these minutes). He said he has moved
26 forward with getting price quotes for sanitary sewer under the building, which needs to be addressed
27 right away. He had contacted several contractors, and had price quotes coming from Coast Plumbing
28 and Newport Plumbing. He anticipates having the City's main electrical contractor, Western States
29 Electric, inspect the building's wiring for potential upgrades that might be required. There was lengthy
30 discussion on the line items in the improvements schedule. It was noted that most of the pricing on the
31 improvements schedule was provided by the engineer, and that more accurate estimates would have
32 to come from contractors. The Kids Zone Rowing Club, defunct for some years, has been re-vitalized
33 and should be getting club oars, paddles, and other belongings out of the fish plant soon. Phase 1 line 6
34 *Downsize Water Meter* was removed from the list, and a suggestion was made to move the gate and
35 fence (Phase 1 lines 2 & 3) to Phase 2. It was noted that a bid would be needed before moving forward
36 with any of the work. Murray summarized the Council directs Weidner, either through motion or
37 consensus, to obtain bids for plumbing, electrical, and construction items; and the Council look at the
38 Phase 2 improvements, including the items suggested to be moved from Phase 1 to Phase 2; and those
39 items would be included in an RFP Staff would draft for proposals to rent the building.

40
41 Motion 5: Leff moved the Council authorize Weidner to move ahead to get the bids as discussed in the
42 meeting, that we edit the Phase 1 core and Phase 2 improvements per our recent conversation, and to
43 authorize Murray to begin developing an RFP. Olsen seconded the motion.

44
45 Mayor Mattila said it was moved and seconded, and called for discussion. There was none.

1 Vote: Motion 5 passed.

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

3
4 Leff, speaking of the USDA grant (copy attached to original of these minutes), asked Murray if they still
5 consider the contract is in place. Murray said the agreement was out of the original file, and she has
6 not talked to anybody at USDA. She said the original contract has no expiration date, so she felt
7 confident it's still in place. Leff wanted to mention three things from the grant agreement:

8 1) Page 13, Item G: *"...The grantee shall obtain approval of the grantor before using the real property*
9 *for other purpose when the grantee determines that the property is no longer needed for the original*
10 *grant purposes."*

11 2) Page 14, Item M: *"Not to encumber, transfer, or dispose of the property or any part thereof furnished*
12 *by the grantor or acquired wholly or in part without the written consent of the grantor, except as*
13 *provided in Section B, paragraph III A..."* (Page 10) Section b: *"Real or non-expendable personal*
14 *property unit acquisition cost of \$1,000 or more. The grantee may retain the property for other use*
15 *provided that compensation is made to FmHA or its successor..."*

16 3) Page 15, Item Q: *"Upon any default under its representations or agreements set forth in this*
17 *instrument, grantee, at the option and the demand of the grantor, will, to the extent legally*
18 *permissible, repay to grantor forthwith the original principal amount of the grant stated hereinabove,*
19 *with interest equal to the rate of interest paid on U.S. 26-week Treasury Bills adjusted quarterly from*
20 *the date of the default..."*

21
22 B. Depoe Bay Chamber of Commerce – Contract Renewal for Upcoming Fiscal Year

23 Motion 6: Olsen moved to instruct the Mayor to sign the agreement with the Chamber of Commerce
24 for next year. Gambino seconded the motion.

25
26 Mayor Mattila said it was moved and seconded, and called for discussion. There was brief discussion
27 unrelated to the motion, then Mayor Mattila said even though it sounded that way, he had no
28 intention at the last Council meeting of not funding the Chamber. Also, Tradewinds is a Chamber
29 member again, so he thinks the City is healing its wounds and coming together. (Copy of agreement
30 attached to original of these minutes.)

31
32 Vote: Motion 6 passed.

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

34
35 C. Update Medical Marijuana Facilities

36 Murray reviewed an email from the City Attorney (copy attached to original of these minutes). The
37 email outlined several things for the Council to consider for action before the moratorium ends. A
38 suggestion was made to delay action until the harbor has been dredged, because Federal law still
39 prohibits use of marijuana. Interest was expressed in having the City participate in cost sharing of
40 background research expenses for possible taxation with other cities; it was noted that medical
41 marijuana is likely not taxable and that taxation could only be enacted for recreational marijuana sales.
42 Murray will get additional information from the City Attorney on taxation. It was the consensus of the
43 Council to hold off on developing any regulations or zoning relative to medical marijuana dispensaries,
44 and to get more information on joining the group of cities investigating taxation of medical marijuana.

45
46 IX. NEW BUSINESS

1 A. Request to Schedule Event in City Park – Neighbors for Kids End of School Year Kids Zone BBQ
2 and Community Appreciation Event, Friday, June 13, 2014

3 Motion 7: Goddard moved to grant NFK use of the City’s park on Friday, June 13 from 10 to 6:30 PM.
4 Gambino seconded the motion. (Copy of application attached to original of these minutes.)

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

7
8 Vote: Motion 7 passed.

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

10
11 B. Land Acquisition – Parking

12 There are three parcels behind the Spouting Horn Restaurant the Mayor would like to discuss possible
13 acquisition of for parking. This item will be tabled until all parties are back in town.

14
15 C. Proposed Res. #434 – A Resolution Declaring the City’s Election to Receive State Revenues

16 Motion 8: Olsen moved the City go ahead and take money from the State. Berry seconded the motion.

17
18 Mayor Mattila said it was moved and seconded, and called for discussion. There was none.

19
20 Vote: Motion 8 passed.

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

22
23 D. Proposed Res. #435 – A Resolution Adopting the Budget, Making Appropriations, Imposing and
24 Categorizing the Tax for the 2014-15 Fiscal Year

25 Murray said during the budget hearing earlier in the meeting, there was a motion to increase Materials
26 and Services in the General Fund by \$4,000, and the Resolution (copy attached to original of these
27 minutes) would need to be updated accordingly. There were no other changes at the budget hearing. It
28 was noted the correct amount was \$4,999.

29
30 Motion 9: Leff moved to pass Res. #435 Adopting the Budget, Making Appropriations, Imposing and
31 Categorizing the Tax for the 2014-15 Fiscal Year, as amended. Gambino seconded the motion.

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

34
35 Vote: Motion 9 passed.

36 Ayes: Leff, Hoitink, Olsen, Mattila, Gambino, Berry

37 Noes: Goddard

38
39 X. CORRESPONDENCE

40 There were two items of correspondence (copies attached to original of these minutes): 1) A letter
41 from Living Pacific Seafood LLC regarding their interest in leasing the fish plant from the City. A
42 recommendation was made that Staff or the Mayor call Mr. Molfino and let him know his letter was
43 received and the Council agrees with his statements wholeheartedly and hopes that as soon as the RFP
44 is published he will submit a proposal; Mayor Mattila said he would contact Mr. Molfino. 2) A letter
45 from Jackie Hickerson asking the City to consider adding a security light on Hour Lane. Ms. Hickerson

1 will be asked to have neighbors sign in support of the request, and to contact the Sheriff's office
2 regarding extra patrols. Murray will contact PUD regarding installation costs.

3

4 XI. CITY STAFF REPORT

5 Weidner reported 1) He has purchased native plants to replace riparian plants that were removed for
6 the City Park bridge project. 2) An RFP for harbor fueling person will be published tomorrow. In
7 response to a question he said there are certain requirements for this position that make it best to
8 keep in-house rather than trying to hire a temp. He is also working with a temp agency to get someone
9 for weed-eating. 3) The main valve at the water plant has been replaced. Mayor Mattila asked where
10 we stand with outside help for restroom cleaning; Weidner responded that crew is keeping a roster
11 sheet of how much time is spent cleaning the restrooms. When the temp worker is on board, he will be
12 working mainly with Pogo and will be cleaning bathrooms as well as weed-eating. The paperwork for
13 the temp has been completed, now we are waiting for a suitable person to be supplied by the agency.

14

15 Murray had no report.

16

17 XII. COUNCIL COMMENTS

18 Goddard thanked the Council on behalf of the Chamber of Commerce. She said the advertising that the
19 Chamber's done over the years is valuable to the City.

20

21 Berry clarified the Chamber's meeting date as the second Thursday.

22

23 XIII. ADJOURN

24 There being no further business, the meeting was adjourned at 8:56 PM.

25

26

27

28

29

30

A.J. Mattila, Mayor

31

32

33

34

35 Emma LuMaye, Recording Secretary