



CITY OF YACHATS

CITY COUNCIL MEETING

January 15, 2020

Approved 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 3<sup>rd</sup> 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.

1  
2 Bree Goodwin (3526 NE Eastline Road) stated she is the Oregon Field Manager for the  
3 Surfrider Foundation, recently moved here, and wanted to introduce herself.  
4

5 4. Steven LaSky (2080, 2120 Overleaf Loop) stated he was surprised to see vacation  
6 rentals not on the agenda today. He did not think the Council had any concerns for him  
7 or the needs of citizens. He was dumbfounded as to why further vacation rentals would  
8 not be allowed in the resort community of the Overleaf. He stated the Attorney did not  
9 state that the Council could not make changes to the cap. He offered to do whatever  
10 was necessary to help make the legislation possible. Mayor Moore stated the issue  
11 might come up again sooner than they originally expected.  
12

13 5. Tom Lauritzen (204 Shell Street) referred the Council to page 54 of the packet. He  
14 recalled the previous financial staff person left in January 2019, a new system was  
15 implemented in July 2019, and the financial work has been outsourced. He argued the  
16 bookkeeping methods of the financial provider do not match the way the City does  
17 budgeting. He did not believe COG had the analytical skills to get the City the  
18 information it needs. Lauritzen asked that the City have an open session with the COG  
19 financial staff for Commissions and Committees to review what was promised, what has  
20 been provided, and changes that need to be made. He asked that Councilor Glenn, a  
21 board member of COG, report to the board that COG's work fails some basic financial  
22 reporting standards.  
23

24 The City Manager stated she has been in discussions with COG and invited Lauritzen to  
25 attend a meeting later that afternoon.  
26

### 27 **III. Consent Agenda**

#### 28 **A. December 5 and 18, 2019 Minutes**

#### 29 **B. Excusal of City Manager from February 2020 meetings**

30 Councilor Vaaler moved to approve the consent agenda: Aye – 4; No – 0.  
31

### 32 **IV. New Business**

#### 33 **A. Cape Perpetua Collaborative**

34 Tara DuBois, Communications Coordinator for the Cape Perpetua Collaborative,  
35 wanted to thank the Council for their support and to update Council on the  
36 Collaborative's recent work. She noted they now have over 700 subscribers to their  
37 newsletter. She reviewed some of the information she provided in her packet. She  
38 highlighted the findings from their two-year intercept survey. She indicated she would  
39 send their final report on the survey to the City. She noted they get hundreds of  
40 volunteers for the marbled murrelet survey.  
41

42 Councilor Tooke noted that sneaker waves are not big waves in the traditional sense, as  
43 they involve a general ocean rise. He suggested something be included in outreach  
44 about what to expect from a sneaker wave. Goodwin indicated she would raise the  
45 issue at their meeting.  
46

#### 47 **B. Utility Rate Study**

1 Mayor Moore invited Tim Tice to discuss the utility rate study. Tice indicated he was  
2 with the Oregon Association of Water Utilities. Tice explained their findings on the  
3 City's water rates. Tice thought City had done an admirable job of covering the fixed  
4 costs through the base rates. Tice passed out a summary of findings and  
5 recommendations, noting the disproportionate rates for meter size.  
6

7 Tice indicated they are recommending setting rates based on meter size, as indicated in  
8 column 7. Vaaler asked what the numbers were used in calculating the ratio. Tice  
9 indicated these numbers were a cost replacement ratio. Glenn asked about the  
10 different rates for the 2" meters as shown in column 2. Tice indicated the recommended  
11 system has the same rate for all 2" meters.  
12

13 Mayor Moore asked how these recommendations compared to the existing system in  
14 terms of revenues, given the increase in capital needs. Tice said the current City rate  
15 structure has a shortfall of 14%. He noted the current unit cost was \$5.33, which is not  
16 enough. He recommended a unit cost starting at \$8.55.  
17

18 Regarding usage, Tice recommended going to a tiered system. He explained that for  
19 those with a 5/8" meter, the recommended rate was \$8.55 per unit for use from 2 to 4  
20 units, \$10.00 per unit for use of 4 to 8 units, and \$12.00 per unit for use over 8 units.  
21 He reviewed a sample table of users with a 5/8" meter.  
22

23 Vaaler clarified that the homeowner makes the decision about what size meter to install.  
24 Mayor Moore clarified Tice was looking for approval from Council to move forward with  
25 assessing rates based on meter size.  
26

27 Nathan Barnard got clarification that the base rate allowance is based on meter size  
28 and the per volume rate is the same for all users within this allowance, but rates per unit  
29 increases get higher with each of the tiers. Mayor Moore stated the standard home  
30 owner would not see much change. Vaaler clarified having the tiered units encourages  
31 conservation and keeps the system covering their costs.  
32

33 Vaaler asked about Tice's confidence for raising \$200,000 for CIP reserves. Tice stated  
34 that if the usage and revenues remain consistent based on the last three years, they  
35 would meet the budget.  
36

37 Vaaler asked what a good price index would be and how often would it need to be  
38 adjusted. She noted the City has to ask the engineer for the construction index that is  
39 the current base for adjustments. Tice indicated they use a ten-year rolling average of  
40 the consumer price index.  
41

42 Greg Scott reviewed the history of discussions about base rates and how Yachats  
43 chose to go with the YEU base rate method over a meter size basis. He noted the  
44 choice to go with meter size significantly impacted the larger users. He suggested the  
45 failure was not properly adjusting the system over time, not with the rate system itself.  
46

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

7  
8 Bennett indicated that the Public Works Commission had consensus for going with a  
9 meter size base rate and the tiered system for usage. Glenn, Tooke and Mayor Moore  
10 were favorable to move forward with the proposed approach. Vaaler wanted to ensure  
11 that certain users would not be unduly impacted or see overly dramatic changes. After  
12 discussion with Tice, Mayor Moore indicated he and Vaaler would see if they could do  
13 the comparison calculations themselves. Vaaler asked that Lauritzen be included in the  
14 calculations. Tice asked to see the results of the comparison.

15  
16 Roslund asked how many jurisdictions included a certain amount of usage with the base  
17 rate. Tice indicated more cities are starting to include a base usage amount. Scott  
18 stated that the meter sizes installed for the commercial businesses do not match the  
19 amount of water that the businesses use.

20  
21 Bernard added that he had wanted to install a 2" meter at the Farm Store and was  
22 presented with a cost estimate of \$73,000 to upgrade to a 2" meter. He noted he is one  
23 of the larger water users in the town and he currently operates with a ¾ meter.  
24 Lauritzen explained that they started with the 2 units for base rate inclusion to get  
25 people who use their homes 4 weeks each year to pay a larger amount for the  
26 infrastructure.

27  
28 Mayor Moore stated there was a consensus to go with the meter size for the base rate  
29 calculations.

### 30 31 **C. Mid-Coast Water IGA**

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

37  
38 Vaaler noted that the budget proposed by the partnership was not really addressing the  
39 water issues for Yachats and included items such as logo and website development.  
40 She indicated she would support the IGA if Tooke thought it would be beneficial to  
41 Yachats

42  
43 Tooke moved to approve the intergovernmental agreement with Mid-Coast Water  
44 Partnership: Aye – 4; No – 0.

45  
46 Bernard thanked Tooke for his work on this topic.

1           **D. FY19 Urban Renewal Agency Financial Statement**

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

4  
5     Vaaler suggested that in the second paragraph on page 2, it would be better to state  
6     that the balance “is anticipated to be” instead of “will be” transferred.

7  
8     Vaaler moved to adopt the Urban Renewal District Financial statement with a change to  
9     read, “\$347,456 is anticipated to be carried forward into fiscal year 2021 as a beginning  
10    balance”: Aye – 4; No – 0.

11  
12           **E. Resignation of Councilor Kerti**

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

14  
15    Glenn moved to accept the resignation from Councilor Kerti with appreciation for his  
16    service and great regret for his leaving: Aye – 3; No – 0. (Tooke had left the meeting)

17  
18    Council consented to fill the open seat by appointment.

19  
20    Mayor Moore recommended the following timeline:

- 21       1. Start advertising the position immediately on the website, Facebook, the  
22       February Newsletter, and the Post Office.  
23       2. Give applicants three weeks from this date to apply, with applications due on  
24       February 5, 2020.  
25       3. Review applicants to date at the February 6, 2020 meeting and decide  
26       whether to extend the application period. If they are satisfied with applicant  
27       pool, they could announce the names.  
28       4. Anticipate swearing in new Councilor at the February 19, 2020 meeting.

29  
30    Mayor Moore suggested a series of work sessions to include:

- 31       1. Determining application and interview questions  
32       2. Determining which candidates will be interviewed  
33       3. Interviewing each candidate in a separate session prior to the meeting on  
34       February 19, 2020.

35  
36    Mayor Moore recommended a voting procedure recently used by the city of Florence.  
37    He stated councilors use a written paper ballot with the selected candidate and  
38    Councilor name to be read aloud after votes are cast. If there were a tie, each councilor  
39    could talk about why they supported a particular candidate.

40  
41    Vaaler had a concern about having the February 6 deadline as the Newsletter does not  
42    get mailed until around the 1<sup>st</sup> and people need time to think about it. She would prefer  
43    having applications due before the February 19, 2020 meeting.

44  
45    Vaaler stated that while they are entitled to fill the vacancy by the charter, she wanted to  
46    get support from the community. She noted Medford appointed a committee of five  
47    people who interviewed applicants and made a recommendation to the Council. She

1 suggested they could do a variation of that. Another community suggested that  
2 applicants get signatures. She wanted to incorporate citizen input in some way.

3  
4 Glenn appreciated Vaaler's suggestion but did not want citizen input as it would  
5 contribute to the divisiveness in the community. Glenn and Moore did not want a citizen  
6 committee as there would be an issue as to who would sit on the committee. Mayor  
7 Moore indicated he conceptually liked Vaaler's idea but believed putting it into practice  
8 would cause issues.

9  
10 Council agreed to set Friday, February 14, 2020 as a due date for applications.

11  
12 Vaaler indicated she wanted Councilors to be able to ask follow up questions to the  
13 uniform questions to candidates. Mayor Moore indicated he had suggested allowing for  
14 clarifying questions.

15  
16 Mayor Moore read the skills and abilities required of a Councilor from the city of  
17 Florence application. He suggested these statements might help applicants better  
18 understand what to expect. Council agreed to include these statements.

19  
20 Councilors discussed what questions to put on the application, referring to applications  
21 from Medford and Ashland. Vaaler wanted to ask the audience what questions they  
22 would like to see.

23  
24 LaSky noted a concern that there was an appearance of inequity when the Council  
25 picked their replacement as there could be potential for picking people who agreed with  
26 them. Ginny Hafner agreed that it was problematic to have Council appoint a person for  
27 three years for an elected position. She would be OK with the appointee serving a year  
28 or until the November elections. Vaaler read from the charter, which was approved by  
29 voters, where it states Council appoints a replacement to serve out the term. Hafner  
30 encouraged Council to get community members to be involved in the selection. Mayor  
31 Moore indicated the interview process will be open to the public. Ariana Carlson asked if  
32 there was a question about what applicants most love about the community.

33  
34 Council agreed to the following questions on the application:

- 35 1. What is your primary motivation for seeking this Council seat?
- 36 2. What do you think are the biggest issues facing the City?
- 37 3. What is your previous involvement with Council, Commissions, Committees or  
38 other community service?
- 39 4. What other experience or education have you had relevant to being a Council  
40 member?
- 41 5. What are your major interests in or concerns with the Community?
- 42 6. What are your major interests in or concerns with City Departments or  
43 Administration?
- 44 7. Do you have any other major interests or concerns?

45  
46 Vaaler suggested listing questions to be answered on separate pages so applicants do  
47 not feel constrained by space to express their answers.

1  
2 Mayor Moore suggested Council use the next meeting to set the interview questions.  
3 Vaaler clarified that they had not decided how they would proceed at the February  
4 19, 2020 meeting. Mayor Moore indicated he would bring back a revised schedule for  
5 the application process.

6  
7 Duke Tracy asked that the Newsletter have information on the open seat.

## 8 9 **V. Reports**

### 10 **A. Financial Report**

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

13  
14 Manager Beaucaire indicated a citizen had concern about financial reports and  
15 bookkeeping. Manager Beaucaire indicated that she and Jirovec have been meeting to  
16 address concerns and that Glenn has been involved. She indicated the citizen had  
17 recommended having an open session.

18  
19 Tom Lauritzen stated he had an expectation that the new software would be easy to  
20 implement and to use. He suggested they are seven months from the go live date and  
21 there is still a disconnect between the budget and the accounting, the beginning  
22 balances are not input, and the financial reporting is not up to par. Jirovec explained  
23 processes they use and noted that COG has had transition in their financial department.  
24 Lauritzen stated that he has done a number of conversions and this transition was not  
25 very good and the fixes are taking way too long.

26  
27 Bennett reported the Public Works and Streets Commission just got their reports and  
28 the format looked fine. He had concern that these reports were being cut and pasted  
29 into a spreadsheet, and he had hoped the software itself would generate the reports.  
30 Manager Beaucaire explained that now that they have a better idea of what was wanted  
31 in the report, they can better develop a system for creating the reports.

32  
33 Don Groth noted a nuanced situation with the work in progress for beginning balances  
34 for water and wastewater. Jirovec indicated she had that information to work with.

### 35 36 **B. Council Reports**

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

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

43  
44 Glenn reported he was pleased with the goal setting session and he has been following  
45 up on information from that meeting.

### 46 47 **C. City Manager Report**

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

10  
11 Manager Beaucaire stated the Economic Development Alliance was at Coastal  
12 Manager's meeting. She indicated they were working to develop better communications  
13 and to develop regional visions, especially around housing. Lincoln County has  
14 contracted with the Oregon Association of Counties to look for facilitators for the  
15 different regions.

16  
17 Manager Beaucaire reported she had a follow-up with facilitator from the goal setting  
18 session who is currently preparing a report to include a spreadsheet of goals, available  
19 resources, strengths and threats, and recommendations on utilizing Commissions and  
20 Committees.

21  
22 Manager Beaucaire reported she has:

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

28  
29 Manager Beaucaire identified three functional services areas: Administrative,  
30 Community Services, and Public Works. She talked with the union about positions for a  
31 Community Services Coordinator and an Administrative Assistant. For Planning, COG  
32 will be hiring a Coastal Planner to share with Waldport and Toledo. This job description  
33 is forthcoming and Yachats would get two days of planning support. She said Yachats'  
34 current Planner Dave Mattison was working with Justin Petersen, a planner at COG, to  
35 help make the transition. She indicated Peterson would not hold the coastal planner  
36 position. She hoped the planning position could start as soon as March 2020.

37  
38 Manager Beaucaire indicated that Code Enforcement was seasonal. She has talked to  
39 TCB, who currently provides code enforcement for Toledo. She indicated TCB provides  
40 continuing education, a 24-hour hotline, and possibly after-hour services. She is  
41 having TCB put together a proposal for two days each week during business hours and  
42 an after-hours hotline.

43  
44 She is looking at a blended position for other gap needs such as supporting code  
45 enforcement, general services, janitorial services, minor facilities maintenance. This  
46 position would allow Public Works to focus on their larger projects.

- 1 **VI. Other Business**  
2 **A. From Mayor** – none  
3 **B. From Council** - none  
4 **C. From Staff** - none  
5

6 Mayor Moore adjourned the meeting at 4:57 pm.  
7

8 ATTEST:  
9

10  
11  
12  
13 \_\_\_\_\_  
14 W. JOHN MOORE, Mayor  
15

\_\_\_\_\_  
Shannon Beaucaire, City Manager

Date: \_\_\_\_\_