



CITY OF YACHATS
CITY COUNCIL MEETING

July 2, 2020

Draft Minutes

Meeting Call to Order

Mayor W. John Moore called the July 2, 2020 work session and regular meeting of the City Council to order at 9:30 am through the Zoom meeting platform. Council members present: W. John Moore, Max Glenn, Mary Ellen O'Shaughnessey, Jim Tooke and Leslie Vaaler. Absent: none. Staff present: City Manager Shannon Beaucaire and Deputy Clerk Kimmie Jackson. Audience: 14.

I. Hearing: Water Policy Appeal, Layne Morrill

Mayor Moore opened the Public Hearing for a water bill appeal for Layne Morrill at 9:32 am.

Morrill explained \$8,421.42 for water \$11,343.35 for sewer. He believed that according to paragraph 6 of the Admin Policy, the sewer portion should be relieved as that water went into the storm drain rather than the sewer system. He clarified that he was only claiming that 50% of the excess over normal billing of the water amount be relieved. He believed the policy he qualified for smaller 50% abatement but not the larger abatement in last paragraph of the policy. He noted there is no insurance coverage for this claim as there was no property damage. He stated that as a matter of contract law, the claimant must do mitigation before seeking a claim from the original contractor. Morrill stated he was asking for the ~\$11,000 sewer to be abated and 50% of the difference of the billed amount and average usage for water reduced per paragraph 4 of the policy.

Councilor Glenn asked Morrill for the average billing amounts. Morrill stated they were just under \$500 per month prior to the leak. Councilor Tooke clarified that there was a 2-inch meter to the facility and that supplies all water to the unit. Councilor Vaaler noted this meter serves only the newer section of Fistera on the south end of the property.

Mayor Moore stated that paragraph 4 stipulated that there were three criteria that must be met for abatement for water. He argued that the sewer portion must also meet these criteria. Morrill noted that in paragraph 6, the City may forgive sewer charges when there has been an emergency. He added that paragraph 3 states that 50% relief is

1 granted for meeting the criteria and that paragraph 4 refers to qualifying “for such relief,”
2 meaning the criteria set in paragraph 3, there are criteria a-g, which he meets. Mayor

3 Moore indicated he interpreted the policy differently. Councilor Vaaler interpreted the
4 policy to be for natural cause water loss per the title of Admin Policy – Relief for Water
5 Billing for Natural Cause Water Loss. While she thought the policy focused on natural
6 causes for water loss, she believed that it was fair to forgive the charge for water that
7 does not enter the sewer system. Tooke noted that paragraph 6 indicates, “the City
8 may” so that the Council does have the option to forgive the sewer portion.

9 Tooke asked for clarification on why there was one base rate for the entire complex.
10 Deputy Recorder Jackson noted that this facility was built before the larger base rates
11 were put into place. She explained how there were only a few units using water when it
12 was first turned on and the bill and usage gradually increased as more units were
13 added. She concluded that this approach meant the average usage was lower for this
14 first year of partial use compared to upcoming years with full use. Water Plant Lead
15 Rick McClung reported that the new water billing system will help to eliminate these
16 types of inconsistencies. He noted the new rates will include an amount of free water
17 based on meter size.

18 Councilor O’Shaughnessey agreed that it was fair to forgive the sewer portion of the bill,
19 and she also agreed that the policy could be clearer. Glenn agreed that it was fair to
20 forgive the sewer portion and suggested that they could forgive two months of the water
21 component. Mayor Moore summarized that Council was in agreement to forgive the
22 sewer side of the bill.

23 Nathan Bernard (Yachats Farm Store) recalled when the Council went through a similar
24 discussion with a water leak on one of his properties, he requested that the City put in
25 place some mechanism for preventing this type of leak. He asked if the Council had
26 taken any action to catch this type of leak early on. McClung stated that Fisterra had a
27 2-inch meter while Barnard had a 5/8-inch meter, and a 2-inch meter does not take long
28 to create a huge bill. McClung reported there are doing a water management and
29 conservation plan. He noted that the City was moving toward installing radio read
30 meters that could signal for such leaks. Barnard stated this approach was exactly what
31 was needed and wanted to know what action has been taken to install such meters.
32 Mayor Moore stated the Council has budgeted fund for radio read meters. McClung
33 indicated this project was a long-term project that could cost \$250,000. He suggested
34 that after the management and conservation study was complete, they could look for
35 grants to support a CIP for meter upgrades, noting they need to do the project all at
36 once as Public Works was too busy to do piecemeal work.

37 Vaaler asked what the cost would be for radio read meters for the large meters only.
38 McClung explained they must first install a base station for receiving the meter signals,
39 which could be \$100,000.

40 Glenn recalled he had previously removed himself from participation on this case
41 because of ex parte contact. Council indicated Glenn could participate in the vote.

1 Vaaler moved to waive the sewer charges incurred during the two months of the leak
2 from the Fisterra bill: Aye – 5; No – 0.

3 Mayor Moore closed the public hearing at 10:03 am.

4 **Work Session**

5 **II. Financial System Discussion**

6 Sue Forty, Finance Manager at Council of Governments (COG), explained differences
7 between accrual and cash basis accounting. She highlighted that accrual accounting
8 notes expenses and revenues when they are incurred rather than when they are
9 received. She noted that she noted how the food and beverage tax revenues were
10 received in the next fiscal year for to cover expensive in the previous year. Forty
11 suggested that she, Manager Beaucaire, and Janet Cline were working a process to get
12 all journal entries for a prior month done by the 8th of the next month. She hoped to get
13 first draft of financial statements no later than the 12th of each month and a final report
14 by the 15th. She hoped that they will soon reach a point where the draft and final
15 financial statements should be the same.

16 Vaaler indicated the Public Works and Streets meets on second Tuesday and would like
17 to see reports then. Manager Beaucaire stated that there has been a problem in the
18 past where the public saw a draft statement and then had issues that the final document
19 had changes and having two financial statements circulating. Forte a chat comment
20 suggesting a draft water mark, but was not certain if that would be sufficient.

21 Don Groth recalled that the Finance Committee and Public Works and Streets
22 Commission had accepted using a prior month's data. He noted that when the
23 coronavirus began and impacted water purchases, the groups wanted more recent
24 data. He did not see a problem with using the prior month report going forward.

25 Manager Beaucaire wanted clarification about what the Commission and Finance
26 Committee wanted. Manager Beaucaire clarified with Groth that the Commission would
27 be agreeable to a May report in July.

28 Groth clarified that the issues about what was reflected in the reports has been
29 remedied.

30 Forty introduced Janet Cline, the former Finance Manager of COG, would be assisting
31 Yachats with their reports. She explained that Cline will be replacing Martha Jirovec.
32 Forty explained COG put Jirovec into a situation for which she was not prepared. Forty
33 also noted that Cline did an excellent job with assisting Manager Beaucaire with the
34 budget. She added that Cline is also an independent contractor with the City.

35 O'Shaughnessey asked if there was an annual evaluation process for contractors.
36 Manager Beaucaire indicated there was not a formal process but she talked regularly
37 with contractors. O'Shaughnessey suggested this evaluation process should be a
38 future discussion.

Forty reviewed the steps COG has taken to properly conduct the financial systems for Yachats, such as developing monthly and quarterly checklists. She noted they have:

- Started reconciling balance sheets independently and each has its own folder
- Retroactively reconciled the past two years so that the books were consistent with the audit
- Created recurring journal entries to help reduce coding errors.
- Reduced payroll processing time from 8 to 3 hours.
- Established electronic payment process for direct deposits for A/P accounts.
- Properly processing garnishments
- Better tracking with spreadsheet for clothing allowance for staff
- Better coding for cash receipts
- New contracting process and using standardized templates
- Getting compliant with using proper contractors
- Regular reviews with City Manager
- Replaced credit card system and credit accounts such as Amazon for the library
- Altering bank accounts to save costs and fees, such as eliminating the sweep account
- Merging the credit card accounts
- Created Urban Renewal investment fund so those monies are not comingled with the city
- Getting tax deposits to go directly to the appropriate account so there is not a need for transfers

Vaaler noted that these changes have freed-up some of Ellen Myhrvold's time and asked what Myhrvold could do with that saved time. Forty explained Myhrvold will do what Forty was doing with balancing accounts which enabled COG to not absorb costs that the City was causing.

Vaaler noted that there were three credit card processing accounts. Manager Beaucaire explained that they needed to look at the Civic Plus and Springbrook systems to see if the credit accounts could be further streamlined.

Groth suggested that Commissions and Committees receive the new project management reports to see what they will look like. Forty indicated she and Cline will develop some documentation on how these reports can be used and interpreted.

III. Water Leak Policy Discussion

Mayor Moore explained this item was on the agenda because several residents have had issues with interpretation of the policy. He reviewed an example of a recent conversation with a homeowner. He explained that in previous years, the City did waive the amount above the water usage. Jackson clarified she only reduced the water side of the bill.

Moore recalled that the city used to put in the newsletter a reminder to shut off the water to the property if they were gone for a few days. He suggested renewing this messaging.

1 Glenn asked what has changed in the policy. Mayor Moore noted the policy has been
2 in effect since 2010. Manager Beaucaire noted that the policy was not followed. She
3 traced the origination of the policy back to 1999. She noted she created the evaluation
4 form in October 2018 that was now followed.

5 Tooke suggested they refer the policy to the Public Works and Streets Commission for
6 revision. He noted the importance of addressing water issues in light of increasing
7 droughts and water supply issues. Vaaler suggested getting guidance from the Public
8 Works and Streets Commission, education, clarification of policies, and water loss
9 mitigation strategies. Glenn and O'Shaughnessey agreed that Public Works and
10 Streets should review the policy and make a recommendation for changes.

11 **Regular Meeting**

12 **IV. Announcements, Correspondence and Proclamations - none**

13 **V. Public Comment**

14 Dawn Keller asked about the newsletter article regarding a public meeting for use of the
15 Commons. She recalled that Parks and Commons Commission had decided to have a
16 public meeting on this topic. She asked why the Mayor took it upon himself to solicit
17 suggestions and to do so through emails and the drop box. Mayor Moore recalled the
18 Commission asked for input and he initiated the request on behalf of the Commission.
19 Mayor Moore stated he appreciated the work of the Commissions and that
20 Commissions were not policy making bodies. Keller stated that the Commission should
21 have input on how they would receive information on the topic. She noted this was part
22 of a larger topic about the overall usage of city facilities.

23 Keller also noted the Commission did not receive a written request for using the current
24 City Hall space as a dentist office. Mayor Moore stated he presented the request
25 verbally.

26 Keller and Mayor Moore discussed the most appropriate ways of gathering public input.
27 Mayor Moore stated the Chair of the Commission was grateful for Mayor Moore offering
28 to receive the emails. Mayor Moore suggested that he and Keller discuss the matter
29 one-on-one. Keller indicated that this issue should be publicly discussed.

30 Moore asked Councilors if they saw anything inappropriate in the Mayor's message in
31 the newsletter. Glenn thought it was appropriate and was amazed at the current
32 conversation. Vaaler indicated she has had discussions with at least three people who
33 indicated that what was in the message did not jive with what the Commission was
34 thinking. She suggested it could be better to include the Commission more into the loop
35 by sending emails to commissioners as well as himself. O'Shaughnessey and Tooke
36 indicated they had not seen the July newsletter.

37 Mayor Moore noted that several years prior that the City was eager to add a health
38 center at the suggesting of Lincoln County in the Commons building. He explained he
39 could have taken this matter directly to Council but he brought it to the Parks and
40 Commons Commission as a courtesy.

VI. New Business

A. League of Oregon Cities Legislative Priorities

Manager Beaucaire explained the League of Oregon Cities (LOC) was asking for a recommendation of four policies to focus on. Glenn noted the LOC makes this request yearly so they can advocate on behalf of the cities at the state legislature.

Glenn: B, C, D, J

Tooke: D, I, Q, Z

O'Shaughnessey: D, E, K, Z

Vaaler: A, D, J, M

Moore: D, I, J, U

Manager Beaucaire stated there were five votes for D, three for J, and two for I and Z. Mayor Moor discussed with Vaaler on the property tax item and concluded there were two votes for U. The Council discussed and settled on the following four items:

- D – COVID-19 economic recovery investments
- I - Increased budgetary flexibility during budgetary emergency
- J – Infrastructure financing and resilience
- Z – Water utility rate and fund assistance

Tooke noted he picked Q because of the impact coronavirus has had and will continue to have on mental health issues.

B. Face Covering Proposal

Manager Beaucaire explained this idea came up from the Plan Ahead team to help support businesses. Jacqueline Danos indicated she created some mock-up designs to show the City logo and a slogan. She reached out to a friend for cost estimates and indicated this company was mailing the city a sample of the mask. She was not certain how she should proceed.

Glenn agreed this was a very clever idea. He noted the price and suggested that the City purchase masks, given them to small businesses, and allow the small businesses sell them. Glenn noted he received an email from Helen Anderson and suggested that this idea be given to James Kerti for a new marketing project. He believed this product could be a souvenir for tourists.

O'Shaughnessey agreed with Dr. Anderson about needing to have this item be part of a larger campaign. She believed James Kerti could come up with something soon. O'Shaughnessey clarified that no one has yet talked to businesses. She stated that the "Gem" slogan has to do with "us" and not others, she wanted a slogan that was more inclusive. Danos agreed it was a good idea to stick with one slogan for branding purposes.

1 Anderson suggested that from a marketing perspective, one should begin with the
2 concept one is wanting to achieve and slogan, then develop the creative. She
3 encouraged that individual actions would get washed out if not coordinated. She
4 agreed with Danos that it would be better to decide on one idea and stick with that. She
5 did not favor the logo for a product of this size, unless the goal was simply to get people
6 to buy a Yachats souvenir.

7 O'Shaughnessey stated she has talked to business owners who thought the "No
8 Shirt...No Mask" signs were to confrontational. She also suggested that gender be
9 considered in planning. Vaaler agreed that businesses should be included in
10 discussions. She noted Drew Roslund had indicated his staff was getting a lot of push
11 back on the mask issue. She thought it would be helpful to get people with more
12 marketing experience involved in the project.

13 Groth asked if the Council had any suggestions for enforcement. Mayor Moore stated
14 the Governor, the County, and the County Sheriff indicated they do not intend to enforce
15 the recommendation.

16 Tooke noted that his brother's restaurant in California has now been asked to shut down
17 inside service. He believed there would be push back regardless of what is done and if
18 they do not do something, businesses will be shut down again. O'Shaughnessey was
19 not certain how to reach people with extreme stances, but she did believe they could
20 reach people in the middle.

21 Danos explained that the branding is needed, but for the time being, something with the
22 City logo could be a start. She noted that the Plan Ahead group would be talking about
23 improving signage at their next meeting.

24 O'Shaughnessey suggested that this mask project be part of a larger discussion on
25 marketing. She also noted that there needs to be some coordination between the Plan
26 Ahead team and James Kerti who was doing marketing for the Visitors Center.

27 Manager Beaucaire stated that she has been working with Kerti and some citizens have
28 come up with ideas for posters, which she would discuss later. McClung stated the
29 original concept was to reduce overhead for businesses to have masks to give away.

30 Tooke asked wanted to clarify the plan for city marketing and the purpose of the mask,
31 suggesting that marketing be treated separately. Anderson stated the mask was part of
32 marketing if the point of the mask was to encourage mask use. She stated if the goal
33 was merely to create a souvenir, the mask was good. McClung stated the original
34 concept was to reduce overhead for businesses to have masks to give away. Tooke
35 suggested the City could buy masks for businesses to give away. He noted that while
36 the Governor's plan required masks indoors, it did not require a mask while eating
37 indoors.

38 Sandy Dunn stated that Lincoln County has given away masks for businesses. She
39 noted the success of the Ladies Club program making masks and suggested they talk
40 to businesses about whether they wanted another mask or middleman.

41 O'Shaughnessey noted many of the businesses have inexpensive masks available for

1 people who do not have one. Vaaler thought Dunn's point about the availability of free
2 masks reduced the urgency of creating this mask now.

3 Council agreed to refer the matter to James Kerti and the Visitor Center.

4 **VII. Other Business**

5 **A. From Mayor – none**

6 **B. From Council**

7 O'Shaughnessey asked that there be a group of people to establish how names for the
8 street should be chosen. She indicated she would be willing to lead the group and
9 thought Glenn had a lot of contacts and could be helpful. Glenn indicated he would
10 work with O'Shaughnessey. Vaaler wanted this contest to be fun and thought the
11 newsletter announcement might have been premature. She wanted to see more from
12 the submitter some explanation about why they suggested that name. Mayor Moore
13 suggested that they could open the suggestions up to older people should they not get
14 enough or appropriate suggestions.

15 Glenn reported he has updated the policies in the two Yachats Facebook groups and
16 renamed them as Yachats Friends (formerly Yachats Community) and Yachats Village
17 Residents (formerly Yachats Village Information and Support). O'Shaughnessey noted
18 the amount of work Glenn puts into Facebook and thanked him for his support.

19 Vaaler reported that Dale Erlewine wrote a letter about the traffic on W 2nd Street. She
20 read the reply she sent to Erlewine. She wanted to discuss this topic further and to
21 discuss the Beach Street – W 2nd Street intersection. She had a concern that Erlewine
22 replied that Vaaler was the only Councilor who has ever replied to any of his emails.
23 Mayor Moore stated he sent a lengthy response to Erlewine several months ago. Glenn
24 asked for guidance on how to answer emails as he did not think it was each Councilor's
25 responsibility to respond. He indicated he has held off from responding, as the Mayor
26 typically responds in a timely manner. Mayor Moore stated that the Mayor is the official
27 spokesperson for the Council. Vaaler stated that a Councilor can respond to
28 acknowledge the email without speaking for the Council. O'Shaughnessey indicated
29 she thanks people for taking the time to write just to acknowledge their letters. Mayor
30 Moore saw nothing wrong with this type of acknowledgement.

31 Vaaler noted that the City did not receive bids for the 501 Building and the City was now
32 serving as its own contractor. She asked if the Council would be part of the decision
33 processes. Manager Beaucaire explained that the grant has some requirements for
34 getting subcontractors. Vaaler clarified that Council would not be approving
35 subcontractors. She asked that Council get updates on the status of the subcontracts.
36 Manager Beaucaire indicated this information would be available in the City Manager's
37 reports.

38 **C. From Staff**

1 Manager Beaucaire noted the Governor extended the State's emergency order to
2 September 4, 2020. She asked that the City extend its emergency order to September
3 4, 2020 as well. She summarized the reasons for needing the emergency declaration.

4 Glenn moved to adopt RES 2020-130 extending the City's declaration of a temporary
5 state of emergency within the boundaries of the City and delegating authority to the City
6 Manager until September 4, 2020: Aye – 3; No - 2 (O'Shaughnessey and Vaaler).

7 Manager Beaucaire reported:

- 8 1. The City has started the process of opening the gates on Gimlet Road, and
9 Public Works has reported that the road is extremely slick due to moss and
10 vegetation growth. She has asked to keep the gates closed until this issue can
11 be remedied.
- 12 2. The code enforcement company (TCB) would be present on July 4 to help
13 monitor fireworks.
- 14 3. The Visitor Center transition was complete. The Chamber of Commerce did offer
15 to sublease, but the lease amount was not within the approved budget. They
16 Visitors Center was using Heather Hoen's old office as temporary home.
- 17 4. The City received two guidelines from the state to use over the 4th of July. She
18 had asked Kerti to help implement the guidelines. She indicated she has
19 authorized Hoen and Anita Sites to support Kerti.
- 20 5. The City established a new IT contract with National Business Solutions that
21 would save \$3,600 per year and possibly provide better service.
- 22 6. The Coastal Planner interviews were complete and the plan was to have person
23 in place by mid-July 2020.
- 24 7. The City received approval for the RARE intern in coordination with View the
25 Future. Manager Beaucaire noted that they would have to establish other work
26 stations in the Commons. These additional locations would require adjusting the
27 secure network.
- 28 8. She talked to State Parks about moving the State Parks sign to reduce traffic on
29 W 2nd Street.
- 30 9. She will be bringing a more details response from ODOT regarding the curbs at
31 W 2nd Street and other problem areas. She reported the engineer would be
32 coming to review the sites next week.
- 33 10. The Friends of Little Log Church have programmed the carillon to play an
34 uplifting song at 8:00 pm every night. They will play patriotic music on the
35 carillon on 4th of July.

36 Glenn reported that a person could not make a donation to the Little Log Church
37 through Facebook, and he noted there was not a way on the City website to make a
38 donation. Manager Beaucaire explained the Friends of the Little Log Church and
39 Museum was a separate entity and donations would be taken through them.

40 Mayor Moore noted it would be likely that the Gimlet gate might have to be seasonal
41 because of the slickness, noting the primary concern of the homeowners was fire.

1 Vaaler noted there was supposed to be an item in the newsletter announcing a
2 discussion at the next Public Works and Streets meeting on painting the W 2nd Street
3 curbs for parking.

4 Mayor Moore adjourned the meeting at 12:19 pm.

5
6 ATTEST:
7
8
9

10 _____
11 W. JOHN MOORE, Mayor

Shannon Beaucaire, City Manager

12
13 Date: _____