

THESE ARE DRAFT MINUTES UNTIL APPROVED BY THE CITY COUNCIL

**CITY COUNCIL CHAMBERS, CITY HALL
29592 ELLENSBURG AVE
GOLD BEACH OR 97444
MONDAY, MAY 11, 2009
REGULAR MEETING: 6:30 P.M.**

CALLED TO ORDER BY MAYOR WERNICKE AT 6:30 P.M.

THE PLEDGE OF ALLEGIANCE:

ROLL CALL:

| | <u>PRESENT</u> | <u>ABSENT</u> |
|-------------------------------------|-----------------------|----------------------|
| Mayor James Wernicke | <u>X</u> | <u> </u> |
| Council Position #1 Sue Johnson | <u>X</u> | <u> </u> |
| Council Position #2 Larry Brennan | <u>X</u> | <u> </u> |
| Council Position #3 Peter Peterson | <u>X</u> | <u> </u> |
| Council Position #4 John Truesdell | <u>X</u> | <u> </u> |
| Council Position #5 David Alexander | <u>X</u> | <u> </u> |

****NOTE:** If anyone wishes to address this Governing Body, please present a completed "Business from the Audience" request to the Mayor at this time. Your request will be added under the CITIZEN COMMENTS section of our agenda. Comments and participation from the audience shall be limited to 5 minutes without redundancy.

CITIZEN COMMENTS FROM THE AUDIENCE:

Ted Whitmore-City Limits-When the office manager isn't in the office you can't get any written material. Is there some reason for that? Is she the only one that can hand it out?

Wernicke-It may be that she wants to be sure there isn't some kind of confidential information in documents before they are released. I heard her talking to the two other staff members that they had not been trained in identifying what is and what is not confidential so she didn't really want them to be making that decision on their own, which might be a good idea.

Whitmore-I asked Friday and came in today to pick it up. From the way it is stated in the web site, I thought it was already printed up and they would pull it off the pile and give it to me.

Wernicke-It was already printed up but I think the problem is Shirley was not there to review it to see if it had any confidential information. The staff under Shirley's stead was directed not to release anything because they didn't have the

training to determine if it was confidential or not. And today, everyone was "just to the wall", they were swamped.

Johnson-Can they be printed off of that site?

Alexander-It can be printed off if it is in the form of a PDF file. Most of the documents I get, I convert to PDF file so our visitors don't have to wonder about if they have a MAC or a PC or whether or not their word processor is going to be compatible. A PDF file is something everyone can access. I think what Mr. Whitmore is talking about is some documents don't come to me in electronic format. That leaves me with two options. Either re-type them which I wasn't able to do this past week due to illness or put a "note" in the web site article that if you want copies of documents which are not electronic in nature, please contact city hall, where you can view, or for a nominal fee, request a hard copy. I have a scanner and I am in the process of configuring it to our primary computer and in the future I will be able to scan and take it over and put it on the web site. That should solve the problem.

CONSENT CALENDAR: (A)

Approval of Council Minutes of 4/8 @ 1 pm & 2:15 pm, 4/10 @ 9 am and 4 pm, 4/13, and 5/4/09.

Review of bills paid in the amount of \$ 110,759.56.

Truesdell-There were some corrections to the draft minutes. I don't know that all of you received those corrections. I need to have knowledge that everyone received those corrections.

Alexander-If Shirley received the corrections, I can assure you they were made. Perhaps it would be easier if we had corrections, to email everyone what those corrections are, rather than have her do it.

MOTION-> Johnson moved to approve the Consent Calendar as presented, second Alexander. Peterson, Truesdell, Alexander, Brennan and Johnson voted "AYE". VOTE 5 AYES

PUBLIC HEARINGS

STATE REVENUE SHARING

WERNICKE-> I will now open the public hearing on State Revenue Sharing Funds at 6:38 p.m..

WERNICKE-> Pursuant to ORS 221.770, this public hearing is called to authorize receiving State Revenue Sharing Funds and also to receive public input on the expenditure of those funds for the fiscal year 2009-2010.

The budget committee held a public hearing, then recommended the purchase of ½ of a new police vehicle.

Is there anyone in the audience that would like to comment on the use of the State Revenue Sharing Funds?

There were no comments.

WERNICKE-> I am closing the public hearing at 6:39 p.m.

CITIZEN AND/OR AGENCY REQUESTED AGENDA ITEMS:

SKATEPARK REQUEST FOR EASEMENT

WERNICKE->The proposed easement for the skatepark is at our attorney's office for review and final drafting that will include the conditions previously expressed by this council. These conditions have been discussed and approved by Brad Wood, President of the Skatepark. We can approve it contingent upon final approval of the attorney OR we can table this until we receive the final papers and put it on the June agenda or call a special meeting to approve it. Mr. Wood would like to get this finalized as quickly as possible.

Mr. Wood called earlier to say the person that is going to do the work can't get to it right away, so he didn't need it right now, that it could wait until the next council meeting.

MOTION->Alexander moved to table a decision on this matter until the June 8th meeting, second by Johnson. Peterson, Truesdell, Alexander, Johnson and Brennan voted "AYE". VOTE 5 AYES

FILE GBA-0801 - FINAL ORDER AND FINDINGS OF FACT (B)

WERNICKE->This is in the matter of file GBA-0801 - An appeal of a Planning Commission DENIAL to modify a specific condition of approval of the Emerald Pacific Subdivision (GBS-0601). At the April 27, 2009 hearing the council, upon a motion duly made and seconded, voted to APPROVE the request to remove condition #7 - That read "The entrance to Ruby's Way off of Hwy 101 shall be paved to 36' and the motel sign shall be removed prior to the final plat approval".

MOTION-> Truesdell moved to approve the Final Order for GBA-0801, second by Brennan. Truesdell, Alexander, Johnson and Brennan voted "AYE", Peterson voted "NAY". VOTE 4 AYES 1 NAY

CHAMBERLIN REQUEST FOR EASEMENT (C)

WERNICKE->Bob Chamberlain (Chamberlain Estate) is requesting an easement for ingress/egress across the property owned by the city. The property currently has the Wallace Reservoir on it. This easement will most likely be used in the future for water main extensions. Our public works supt. and city engineer agree this will not be a detriment to the city's beneficial use of this property. There is presently an old skid road over this requested easement.

Our public works supt. recommends approval of this request with the condition of removal of some 4-6 danger trees at Chamberlain's expense AND Chamberlain will need to maintain proper drainage on this road as to eliminate any water run off to the tank site.

Peterson-From the pictures provided by Jeff Denney, it appears the road has already been put in, is that correct?

Robert Chamberlain-Representative of the estate of Elizabeth Chamberlain, whose property this is on. I live outside the city limits.

The road you are seeing as already there is the skid road that Denney mentioned. It has been there for years. I just want to expand it and continue the road in behind the water tank to property that we have just to the south. We have started work on the road that is on my land, east of the water tank. We have driven across the city property but we haven't done any work on the city property. We have a "maintain" easement with the Durlam's to the north of our property-we've cut into an embankment there to widen the road slightly but that is not on city property. That is on the left hand side of the road.

Alexander-Do you have a problem with the removal of 4-6 danger trees at your expense? (NO) Do you have a problem at your expense, with maintaining proper drainage on this road to eliminate any water run off to our water tank?

Chamberlain said he was told by his excavator that there should be no problem maintaining proper drainage. There is some development going on to the east of our property, by Mr.

Kaufman, that little strip of land that goes to the east of the water tank is my only access to my lots. I want to be assured that there is an existing road in there before something unforeseen may happen from Mr. Kaufman's side that may preclude me from putting a road in there. That is part of my reason for wanting to push this through, is to basically get it done so it is there before he does something that would make it impossible for me to do it.

Wernicke-The pictures show that part of the road is already over city property.

Chamberlain-Partially. The skid road - the driveway that comes up off of Wallace and up the hill, which is the driveway for the Durlam's-it comes up and where it veers off to the left, going to their driveway, the skid road continues straight ahead. That is parallel to the boundaries of the city property.

Peterson-Referring to Denney's pictures-this looks like recent work has been done on city property.

Chamberlain-I agree with that.

Wernicke-What plans do you have for this easement? You asked for ingress and egress-there is no limitation on what kind of ingress and egress. You might have trucks rolling in and out of there. Without some kind of boundary on what kind of ingress/egress you are asking for, it is difficult for us to grant your request.

Chamberlain-All I'm asking for is for private residences. It is only going to be a road of about 115' feet long. My future plans are to someday develop those two lots and put homes on them. If you want to stipulate some kind of limitation of what type of traffic that can go on that road, that is fine.

Wernicke-There is also mention of a water main extensions.

Chamberlain-Apparently Joe Kaufman, Larry Kammer, and Kearney subdivisions that are around (couldn't hear). The city had requested that they put their own water tank in on top of their property. In order to go from the Wallace tank to the new tank, they will need to go across our property. That is one thing they were asking of me, is could they get an easement from me to come down my roadway with their pipes to fill that tank, which will then be maintained by the city.

The roadway that I am going to be putting in is about 10'-15' of that corner, won't encompass the entire road. I don't know how Joe Kaufman has planned to lay out his water line. I don't know if he is going to go up the middle or on the side or what. He hasn't laid that out for me yet. His planning has not been approved yet.

Johnson-It doesn't look like we're talking more than just a few feet. I don't care if he uses that as an easement there-it's a few feet.

Alexander-You're talking about Joe's property where it is actually going to go up to the water tank.

Chamberlain-His Skunk Run Subdivision-he has lots that are at the bottom of my property. He (Kaufman) has already undercut my bank quite a bit and (couldn't hear). I know how it rains here. He wants to start at the city, down on Wallace, come up the driveway to Durlam's and across my property using my proposed roadway, continue south on that road to the top of where my road ends and then veer off kind of easterly around the side of the mountain to some location up on top of the mountain there.

Chamberlain-> I've made it perfectly clear to Joe (Kaufman) that he is not going to get any access down into his Eleventh Street Sub Division. That is going to be my road and it is private. It is not going to be for a thoroughfare by any means. I am planning on a gravel road, it will not be paved, I'm not planning on any large development. The road will be maintained as requested by Jeff Denney. The only trucks using the road will be during construction (1-2 home sites) and perhaps one truck to haul the trees off.

Further discussion followed including discussion on slopes and retaining walls.

Wernicke-You're pretty well set with a lot of the info that is here. We would like to have an easement deed, have it recorded with those limitations-residential use, not a through street, maintenance for proper drainage, those kinds of things, so we are all protected and the people are protected. We will send the package to our attorney, they will take care of it, send it back, get it recorded and we will send you the bill.

Johnson-What if someone wanted to have a small business operated out of their home, like babysitting. That changes the use from residential-do we want to put those kinds of restrictions on them? I just want to make sure we don't cut people off from what might happen someday.

Peterson-I think we should examine this a lot closer and really go in and take a real good hard look at this.

MOTION-> Johnson moved to grant the easement for non commercial ingress/egress across the city's Wallace reservoir property. Chamberlain will bear the expense of removing 4-6 danger trees and will maintain proper drainage on this road as to eliminate any water run off to the tank site. Chamberlain will also pay for the easement recording fees as well as the city's attorney fees for having the easement drawn up by the city's attorney, second by Alexander.

Following a brief discussion, Johnson withdrew her motion and Alexander withdrew his second.

MOTION-> Johnson moved to grant the easement for ingress/egress across the city's Wallace reservoir property. Chamberlain agrees the property will be for non-commercial use and it will not be a through street. Chamberlain will bear the expense of removing 4-6 danger trees and will maintain proper drainage on this road. Chamberlain will also pay for the easement recording fees as well as paying the attorney bill for the preparation of drawing up the easement.

Wernicke->Asked how quickly Chamberlain needed the easement.

Chamberlain->As you can see from the pictures, I have a guy up there working on getting my road in. I kind of have him stopped right now.

Johnson-Could we go ahead and OK it so he could go ahead and get started, give it to our attorney to write what we want in it. That way he can go ahead and get started.

MOTION->Alexander moved to grant the easement for ingress/egress across the city's Wallace reservoir property. Chamberlain's will bear the expense of removing 4-6 danger trees and will maintain proper drainage on this road, as to eliminate any water run off to the tank site. Chamberlain will also commit that this property shall not be used for commercial purposes and will pay for the easement recording

fees and the fees of the city attorney to draw up the final easement agreement documents. This is contingent upon receiving final approval from our attorney, second by Johnson. (Motion and second were withdrawn by Alexander and Johnson)

Wernicke-I suggest we give them a temporary easement for ingress/egress until such time as a permanent easement deed can be prepared by our attorney for which Chamberlain will bear the cost.

Truesdell-I agree I think we are putting the cart before the horse to grant an easement. I think in good faith to allow you to continue would be wonderful.

MOTION:-> Alexander moved to grant a temporary easement for ingress/egress across the city's Wallace reservoir property. Permanent easement contingent upon review and approval by the city attorney and the payment of the city's attorney fees and the final easement recording fees, second by Johnson.

Peterson abstained, Johnson and Alexander voted "AYE", Brennan, and Truesdell voted "NAY". Rather than breaking the tie, Wernicke stated he was abstaining.

MOTION:->Brennan moved to give Chamberlain permission for this temporary road until our attorney can come up with an easement agreement, second by Alexander. Peterson, Truesdell, Alexander, Johnson and Brennan voted "AYE". VOTE 5 AYES

ORDINANCES AND RESOLUTIONS

RESOLUTION R0809-15 (D)

A RESOLUTION EXTENDING THE CITY OF GOLD BEACH'S WORKERS' COMPENSATION COVERAGE TO VOLUNTEERS OF THE CITY OF GOLD BEACH

WERNICKE->This resolution is required by our insurance company each year.

MOTION:-> Alexander moved to approve Resolution R0809-15, second by Peterson.

Truesdell-For clarification, I assume this is just a formality and it is budgeted, it just needs to be renewed every year. (YES)

Brennan-Under the format that this is written up, volunteer clerical help would receive \$1,000 per month if they

accidentally hurt themselves on the job? Muni judge would receive \$1,000 a month if he hit himself with a gavel.

Johnson-This is an "assumed" wage. They have to set an assumed wage so they can set a rate for workers comp. If they had a claim, they would be paid based on their "assumed" wage.

Truesdell-As a follow up-it is my understanding that the chief and assistant chief are paid and the municipal court judge is paid. Would they still be under a volunteer election form if they are paid?

Alexander and Peterson withdrew the motion and the second.

MOTION:-->Alexander moved to table this resolution until these issues have been resolved, second by Truesdell. Peterson, Truesdell, Alexander, Johnson and Brennan voted "AYE". VOTE 5 AYES

RESOLUTION R0809-16 (E)
A RESOLUTION AUTHORIZING SETTING DATES FOR BUDGETARY REVIEWS

WERNICKE-> This resolution merely sets dates for review of expenditures and revenues with the budget committee. As it stands right now, the only time anyone gets together and reviews the budget is near the end of the fiscal year. So that the council and everyone can be aware of what the income and outgo is, we should get together at least two times a year to review where the budget is and how it is shaping up to the forecast.

Truesdell-You brought this up at the tail end of the budget process and I think it is an awesome idea-I think it is great, I fully support it. The third Wednesday of October would allow a thorough review of the first quarter of our fiscal year. The second one would be for the second quarter so we would have quarterly reviews.

MOTION:--> Alexander moved to approve Resolution R0809-16, second by Brennan. Peterson, Truesdell, Alexander, Johnson and Brennan voted "AYE". VOTE 5 AYES

RESOLUTION R0809-12 (F)
A RESOLUTION SETTING A FEE SCHEDULE FOR CITY SERVICES AND RESCINDING R0607-19 AND ANY OTHERS THAT MAY BE IN CONFLICT

WERNICKE-> This resolution is updating some of our current city charges. The proposed changes are in red.

Truesdell-I believe this information was given to us last March or April with the potential changes. I sat down with Shirley and gave her my input on certain things. Carnivals wasn't one of those things.

At this time the city does not charge for carnivals that are in the fair grounds itself.

Peterson-Charging \$300 per day-I know that either last year or the year before we almost didn't have a fair because the carnival wasn't going to show up. They had to make some concessions to get them here. Peterson brought up the "Party at the Port" and some of the activities they have-are they going to be subject to the "carnival" fee?

Discussion followed regarding charging or not charging, increasing or leaving it the same.

Truesdell-Suggested holding the whole section in abeyance, leave it as it is, give the fairgrounds and non-profit groups an exemption, and do a study over the next 12 months on this or whatever on this, to see what other counties and cities are doing.

Alexander-Line out the \$300 per day for carnivals and similar shows. (leave it as it is)

Discussion followed with the following changes to the charges:

Page 1. Keep "Non profit organizations exempt)
Delete \$300 per day for carnivals and similar shows.
Leave the copy fee at .25 per page
Research fee \$26. per hr.

Johnson-If you have a fire at your house and you've had your barrel inspected and approved and you have a fire permit, and a spark flies over and catches something else on fire, then the city can charge you for responding to that fire. I feel if I passed inspection and had a valid permit, that I shouldn't be responsible for the fire department responding. I have never felt that was right. (Peterson said that's why you have liability insurance)

Page 2. Copy of video -your tape \$20 city tape \$25: Copy of audio tape - your tape \$12, city tape \$15.

Leave Nuisance abatement in for now.

List of businesses: 15 Base: List of businesses on labels \$20 base + \$1.00 per page of labels.

Page 3. Temp connect or disconnect after hours \$80.

Delete Sewer Debt.

Delete "fee may increase"-it didn't happen.

Checking water meter at consumers request \$20

Temporary disconnect - sewer:-> \$241 Water: Inside Res.

\$44.85, Outside Res \$46.47, Inside Com \$50.85, Outside Com

\$53.38

Delete Maint rates

Delinquent charges add "past" due

Weekend/holiday/after hours \$80.

Red Flag Notice of delinquency \$50.

Page 4. Delete Pipe Pusher charge

Labor Charges \$40 per hr

System Development Charges (tabled)

FIRE: First pumper \$350 hr, Second pumper \$300 hr, Manpower \$40 per hr (per fireman)

Page 5. Add .5 hrs OT

The fourth and subsequent call during the calendar year due to employee/etc \$125. each

Delete \$ 4

MAPS AND PRINTED INFORMATION FEES-> City budget (no tabs, no notebook) \$22., City audit \$25.

MOTION:-> Peterson moved to table this resolution until we get the answers to the System Development Charges, second by Brennan. Peterson, Truesdell, Alexander, Johnson and Brennan voted "AYE". VOTE 5 AYES

ORDINANCE NO. 620 (G)

AN ORDINANCE DECLARING THE CITY'S ELECTION TO RECEIVE STATE REVENUES

First Reading

WERNICKE-> Since this is such a short ordinance, I will read it into the record. The second reading will be June 8, 2009.

MOTION:-> Peterson moved to approve the first reading of Ordinance No. 620, as read into the record by Mayor Wernicke, second by Alexander. Peters, Truesdell, Alexander, Johnson and Brennan voted "AYE". VOTE 5 AYES

MISCELLANEOUS ITEMS:

DISCUSSION re 09-10 BUDGET ADOPTION (H) -Alexander

Alexander-Had a couple of concerns because some of you have not been through the adoption process. Normally what we have been doing (because we have hashed out most of the issues during the budget meetings) (couldn't hear) so we're not just adopting the budget as presented by the budget committee. However, according the budget handbook in adopting the budget-by law (Exhibit H).

A long time ago, this city was in dire financial straits. One of the reasons is that certain elements in the budget, as approved by the budget committee, were basically seen as a "candy jar"- primarily the unappropriated ending fund balances - the sewer fund and the water fund. The sewer and water funds were dipped into so frequently that it basically depleted them. Then came the need to replace our entire sewer system. It wasn't there and didn't happen. Later on we were faced with a crisis situation where we had to enter into an agreement with DEQ.

For many years, strict fiscal conservative was practiced by the budget committee and the council to bring the health of the city back up to a level to where we are repaying both the sewer and water funds and carrying enough unappropriated ending fund balance to allow us to cover that period between the end of the fiscal year and late November when the city begins receiving tax revenue.

My concern is that we will once again begin taping into the unappropriated ending funds in order to bump up other line items within the budget, as well as the water & sewer fund transfers and the compensation we established for non contract employees, which in my opinion is fair.

I wanted to throw this up for discussion and get a feel for if I am over-reacting to what has occurred in the past. Whether this council sees those fund sources as something worthy of protection or being something that is available.

Wernicke-I think this council has pretty well indicated that it is going to be fiscally conservative and very careful. In fact, we just approved a resolution to review the budget twice during the course of the year. I don't see as this is a real concern. Certainly it is a matter for the council to discuss or rule on.

Alexander-If the council doesn't mind going on record, I do have a motion in regards to those funds I have mentioned. I have a real concern and it is the financial health of the city.

Truesdell-We went through the budget process, we followed, as well as I can tell - this is my first time going through Oregon budgeting but it is my understanding that at the end of that meeting, we were generally in agreement. It was a great process because we didn't all agree on everything but most of us agreed on the important things. I think that is going to prove itself out. I think the majority of us were generally happy (the majority of us) with the outcome at the end. I don't see the need for additional resolutions or motions. Coming up in June I understand we are going to be formalizing the budget at the next meeting. There is nothing about this in our packets regarding this so I apologize to our audience and our large listening audience on TV, I didn't have a chance to prep for this-I had no idea what this discussion is about. I can say I believe the process was followed, I believe it went well and here we are.

Johnson-I would ask, since I am the one that made the motion and haven't been able to sleep since then-we did take our of our ending fund balance in order to pay for some things that the council decided we wanted to have. We can't be doing that. That's exactly how the city got broke before. (Alexander-that's my point) We did do it. You can say we did it right according to law and it's a good deal and everything you want to say. We still took forty some thousand dollars (if I remember that figure correctly) out of our cash carry over because there were added expenditures that were not budgeted. That's how you foul up your budget-that's how you go broke. We're forty some thousand less than "being where we want to be", thanks to my motion that almost didn't pass and I still wish it hadn't. Yes, I see what you're talking about. We can't be doing that and we did it.

Brennan-We approved the budget at the budget meeting, David moved to approve it and you (Johnson) seconded it, so I think this is a mute point.

Wernicke-This doesn't seem to be the appropriate time. We have a procedure by which we go to a budget committee, everyone talks about everything, we go over the budget line by line and then we come out with a decision, then it comes back

to the council in June for final adoption. That is the procedure that has been followed forever, from what I understand and it is also the procedure that is set forth in the ORS revised statutes. I don't see, that all of a sudden that we now say, OK, now lets try a different procedure. We'll make this decision at the budget committee meeting and we'll ring our hands about it and try to change it between now and the time we have it before the council in an appropriate schedule.

Alexander-I think you are misinterpreting my comment. We approved the budget, that is correct - that is a done deal. What I am speaking about is when we adopt the budget in June, there is a provision here, that at that meeting, the council may, if it chooses, amend that adopted budget up to \$5,000 per fund or 10%, whichever is greater without the necessity of going back to the budget committee. That is specifically what I am addressing tonight. I am doing it tonight so as not to blind side anyone at the June meeting five minutes before we are ready to adopt. I'm not trying to get anybody here, I am expressing a concern. Based on this one element of the budget adoption process. I just wanted to put it on record that there is that caveat in the law which would allow during the adoption process to further amend the budget. If that is to be done, I would like any budget increases to come out of line items in the budget, not to include the unappropriated fund balance, the water/sewer transfer or the compensation package that the budget committee approved regarding non contract city employees. That's my point. It has nothing to do with the budget as passed. I'm fine with that, we passed it. My concern is for the adoption process that we're going to do in June-is that clear?

Truesdell-Yes, that is clear. Let me just say that ORS revised statutes allows this body to do certain things coming up in June. I am tickled with the budget. You never win them all and you never lose them all. I think (I can't speak for everyone) the majority of us, by fact, by virtue that the budget passed the budget committee test, everybody was generally satisfied with it. I can't tell you what I'm going to be doing in June, other than at this point in time, and I would like to go on record by saying I have no challenges to the budget as it was passed. If you are asking me to waive what ORS revised statutes allows me to do in June and waive that ability and waive that right - no, I won't do that because something could happen between now and June. I have no desire at all or no intent to do anything to the budget

other than approve it as generally speaking, as the budget committee approved it.

Wernicke-Not only that, I don't believe we have the authority to do that-it is state law.

Brennan-Plus I don't think there has ever been any indication that that was a consideration.

Alexander-I'm not suggesting that we ignore state law. What I am suggesting is that we restrict - we're also mandated to have a balanced budget. Which means any change we make will need to by definition, be revenue neutral. Which means any addition to any line item needs to be balanced by a counter balancing offset from another line item. My concern is to take those line items, which are the "honey pots" because those are the easiest ones to go after and do not require work, which we discussed during the budget meeting because that was the thrust of Councilor Johnson's motion. If we decide we need something, we should maintain proper fiscal discipline. I'm not going to make this a motion, I am going to make it a request that we look at line items other than those as the needed offsets for any increase we do in the adoption process. Looking at the line items I mentioned are the ones that got us into financial trouble in the past. So if we want to make a change of an addition in one, we should look at other line items to reduce the amounts. That takes more work but it gives us a better balance to any additions we want to do in the adoption process. That's all I'm saying.

Wernicke-I don't think when the council looks at it next month they are going to "willy-nilly" anything. Right now, it is academic. It may go through without any problem whatsoever. But if indeed there is something that comes up, I think the council will look at it very closely to keep a balanced budget. I don't think there is a concern in that regard.

URBAN RENEWAL DISTRICT-Wernicke (I)

Councilor Brennan and got some very good information from the Waldport City Manager on Urban Renewal Districts. She was very helpful and I made packets for everyone to look at. I want to see what the take was on what that information amounts to. If we're going to go that way, it is going to take time, it should be something that the city administrator we are about to hire kicks off on. But I would to get your opinions on what you think about it.

Johnson-I had a question right off the bat. Can you give me a synopsis of where the money comes from. I understand it is from increases in valuation. As the value increases a person pays more taxes and that extra amount of taxes, instead of going into city coffers, would be set aside in an Urban Renewal District-is that right?

Brennan-No. If you establish a district, then all the land and property within that district, is assessed by the county assessor and that becomes a base line for taxes. Every year that there is tax increase, instead of that increase going to the county, it goes into the Urban Renewal District Fund.

Johnson-So does that trickle down to affecting the city's share?

Brennan-No, it affects the county's raises during the time the Urban Renewal District is in existence.

Johnson-And we can make the county do that? (Yes, it is state law)-then the county would have to put their increases into that Urban Renewal District Fund instead of using it for the county.

Brennan-They keep their base-in other words, if the assessed value was \$10 million dollars-that is the base line-that money they would continue to receive. BUT each equivalent unit that it goes up for the years that the District is in existence, that increase comes to the Urban Renewal District. It is there for people to apply for grants and/or pay back loans.

Wernicke-It has been successful every where I have seen it tried, especially Waldport.

Johnson-Did I read there was only about 46 cities in Oregon that have this?

Brennan-There are 50 cities and 75 Urban Renewal Districts currently in effect. You can have more than one in a city. 25% of your land area can go into an Urban Renewal District but no more than that. If you wanted one district that only took up 10%, then you could have a second one for 15% or any combination not exceeding 25% of the land area.

Johnson-So then it is the county that bears the loss? You've said it's a law, but I don't want to be ridden out on a rail either.

Wernicke-Brookings has one - Waldport has two. Most progressive communities have at least one. It has been a big help to all the communities I have talked to.

Johnson-50 cities doesn't seem to be a lot if you consider the whole state. (Wernicke-seems to be quite a few)

Alexander-Did I understand correctly that the Urban Renewal District would be within the city limit boundaries?

Wernicke-Yes but you have to be careful how you draw this District out so you get some land that needs some rehab and some land that may be on the market some day for development. So when it does develop and become a tax base, it goes into the District in its entirety.

Alexander-After reading the material and getting that clarification, this could potentially be quite valuable. Especially if it has been drawn properly. I think that is the critical element.

Wernicke-It isn't all one big mass. You can draw lines like for a sidewalk and hook up another large area via the sidewalk. As long as they are contiguous or connected in some manner, you can take chunks instead of it all being in one big "ball".

Brennan-We could go up Third Street to the library, over to Riley Creek School, etc., as long as they are contiguous.

Johnson-If I had a building that everyone wanted me to fix but I didn't want to because of taxes -a lot of people keep their values down by not fixing their places up.

I could come to the Urban Renewal Fund and take out a loan if I wanted to or maybe you could grant me some money to fix it up?

Wernicke-The city would borrow the money from somewhere and use the Urban Renewal money to pay it back. That money could be used to rehab an area-maybe your building and the one next to it or behind it. That's how it works.

Truesdell-Brookings has several things going for them. They have a matching funds grant program that has been very successful. An example is they will grant matching funds up

to \$20,000 for a business within the business district to completely re-do the outside. That's why we've seen so many businesses in Brookings that seem to be able to afford this. It can be used in many different ways.

Brennan-The Waldport City Manager suggested we have a professional firm visit the council and present the groundwork and background on an organization that is familiar in setting these up. Typically, the council becomes the managers of the Urban Renewal District. It is usually the councils' responsibility to run the Urban Renewal District and create its own budget. Generally, those firms will come down and make a presentation at no cost to the city. Then we could go from there on how to set it up.

Truesdell-My understanding from Susan Brown, Economic Development Director for Curry County, is there is also grant seed money out there to get things like this going. They recognize that you can't just start. The impact to our budget may be nothing.

Brennan-After the first three or four years, once that baseline is established, you have to have increase in your tax values to fund this. So for the first three or four years you don't get a lot of money.

Johnson-So say we did this and had some money in there, then it would be the council who would administer it and would also determine who we were going help?

Brennan-In order to get these funds you have to have a plan. It has to have public input, first to create a plan and you have to have a goal. For instance do you want to get your utilities underground, create an amphitheater, or whatever. Then create your budget and decide how you're going to pay for the improvements.

Further discussion followed.

MAYOR AND COUNCIL COMMENTS:

MAYOR - JAMES WERNICKE:

STATUS: City-Planning Agreement has been finalized with the changes requested

Our Muni court will be enforcing ordinance violations regarding planning issues.

REPORT ON MEETING WITH ODOT re MOORE ST

We met with ODOT this morning. They have a plan to work on the intersection and the traffic light where Moore Street intersects with highway 101. They showed us the plans they had, then we all went to the site. ODOT is going back to the drawing board to see if some of their plans can be adjusted. Their intent is to place new lights at that intersection, put a "bulb" out that is ADA compliant in front of the Gray Whale, round off the curb on the north side of Moore Street so the traffic that is heading south can turn into Moore Street more safely. Perhaps eliminate parking on the north side of Moore Street. Eventually something is going to have to be done there as it is a congested road. There is a lot of traffic on Moore Street.

Report on City Administrator Ad

I anticipate we will have a large number of people applying to the city administrator position. Since we are on a short schedule for hiring an administrator, I don't think we will be hiring an interim administrator. We're only looking at 6 weeks - 2 months of time. By the time an interim administrator came in, they would just be learning the ropes when we would be hiring a full time administrator. Shirley and I talked about it and between the two of us, with the help of individual councilors, I think we can keep moving. We can keep the city above water.

I want to ask the council if you are interested in creating a "screening or selection" committee for the applicants. If we have 30-40 applicants, we could have the committee pre-screen those to pick out 5-10 that they would want to go through the interview process. Comments?

Johnson-I would want to see all of the applications. I don't know if I would have any input on who we interviewed but we could all pick out our favorites. I think we should all be there during the interviews, including the department heads.

Wernicke-A list of questions is being prepared for the administrator interviews.

U.S. Senator Merkley will be hosting a town hall meeting here at city hall on the afternoon of May 28th.

Utility customers will soon have the opportunity of having your utility bill automatically deducted from your bank account. You will still receive the bill. The detailed information and application will be mailed in the same

envelope as the annual Consumer Confidence Report that you receive each year. Our utility billing software was updated a few months ago so we could offer our customers this option.

P.J. Janik, our new police chief will be sworn in at 2:00 P.M. on Monday, May 18th in the council chambers. The public is invited to attend, meet the chief and have some cake and punch.

COUNCILORS:

Sue Johnson-Commended Councilor Alexander on the wonderful job he has done and is doing on the city website.

Larry Brennan-Attended the blue ribbon law enforcement committee meeting on April 22nd. They held a town hall meeting in Brookings and will be holding a town hall meeting in Gold Beach the first Tuesday in June, followed by a town hall meeting in Port Orford. They will be presenting to the citizens what their idea of the law enforcement district is going to look like, and they want citizen input as well. They formed a political action committee and the name is The Curry Citizens For Safe Communities. Former Sheriff Kent Owen is the chair. They are looking for a fund raising chair-if anyone the community knows someone that is familiar with OR Star Rules and fund raising or treasurer, please give me or Sheriff John Bishop a call. The blue ribbon meeting will be the 20th of May at 3:00 p.m. in the county building.

A request was received from a citizen on Grizzly Mountain to put a stop sign at the intersection of Park, Third Street and the library driveway. It is a real safety issue. I spoke with Jeff Denney and he would like the request to install the stop sign to come from the council, not just one individual councilor since we don't have a police chief at this time. It would end up being a 3-way stop. (NOTE-The stop sign has been installed)

MOTION:-> Alexander moved for the council to authorize placing a stop sign, on Park, at the intersection of Park, Third Street and the library driveway, second by Johnson. Peterson, Truesdell, Alexander, Johnson and Brennan voted "AYE". VOTE 5 AYES

Peter Peterson-Happy to see we have an audience at our meetings. I think people are seeing that we are actually getting things done. I'm having more fun on the council than I've had in the last couple of years.

John Truesdell-Report on latest Promo meeting: Over the three weeks of spring break that we had, occupancy and visitations to Gold Beach were very strong. These are spring breaks from Washington, Oregon and California. Revenues and occupancies were also up in February and March compared to the prior year. The promo committee is doing a great job. To be able to say that while we're in a "down" economy, is very powerful. They are spending a lot more of the city's money in closer areas. Sacramento up to Portland, Medford, and the I-5 areas with their marketing and it seems to be paying off. Limited surveys have been taken and we are seeing a lot more repeat business, which is the richest kind of business we can get. Getting people to come back on their own volition without spending a dime to do it is the best kind of business we can have.

They plan to start a promotion of winning \$10,000 of gold by staying in Gold Beach. That's going to be for people that stay here and experience Gold Beach. Motels will be giving out the applications for the drawings. I believe they will start it this summer and run it for approximately one year. Those details are being worked out. They're figuring that the dollar value they will get in the national press, if nothing else, will be phenomenal because no one else right now is doing that and that all fits into their budget.

Johnson-Jeff Denney painted one of the fire hydrants a bright gold. As time permits he will be painting the rest of them. It shows up real well and the fire chief told Denney that the visibility is fine. It is a great idea.

David Alexander-Two city administrator requests for applications came through the city web site off of the contact page. They have been sent out.

Within the web page, we activated the alert section of the web page. For example, on that section of the web page, there are two alerts from the ODOT public information officer from southwest Oregon which talks about several projects that are planned for this summer around our area. There are also maps of the project areas that will be helpful for drivers in

navigating their way in and around that particular area in the summer months.

We've added two new categories to the web site. FORMS-City and police department forms can be found and downloaded in pdf format. RESOLUTIONS & ORDINANCES-Some of the ordinances are out of order and that is because they are resolutions and ordinances that were created but not approved by the council. When they are approved by the council, they will be updated with the date of the passage.

As soon as the new option for utility payments is completed, that will also be on the web site-www.cityofgoldbeach.us

You will also find interesting photos and other information about the city.

I will be attending an Oasis House Regular Board Meeting on Wednesday. It covers a subject near and dear to my heart-domestic violence. There is no excuse for domestic violence in our community.

CITIZEN COMMENTS:

Linda Alexander-City resident. Asked what time Senator Merkley's town hall meeting was scheduled to start. (Time has not been set yet)

ANNOUNCEMENTS

The next regular meeting for the Gold Beach City Council is scheduled for Monday evening, JUNE 8, 2009 in the Council Chambers of City Hall, 29592 Ellensburg Ave., at 6:30 P.M.

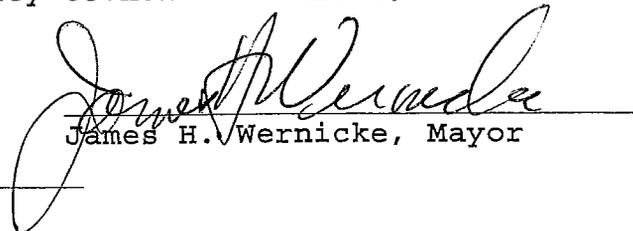
ADJOURNED AT 9:00 pm:

The location of the hearing/meeting is accessible to the disabled. Advance notice is requested if special accommodations are needed. Call (541) 247-7029 so that appropriate assistance can be provided. The City of Gold Beach is an affirmative action EEOE and complies with section 504 of the rehab act of 1973. Complaints of Discrimination should be sent to: USDA, Director, Office of Civil Rights, Washington, D.C. 20250-9419

Passed by the Gold Beach City Council on June 8, 2009.

ATTEST:


Shirley Walker, Recorder


James H. Wernicke, Mayor