

CITY OF ROCKAWAY BEACH
REGULAR CITY COUNCIL MEETING

FEBRUARY 11, 2015

CALL TO ORDER Council President Rich Riley called the meeting to order at 6:00 p.m. there were eight (8) guests present.

PLEDGE OF ALLEGIANCE

ROLL CALL Present: Council President, Rich Riley, Councilors; Jim Doyle, Terry Walhood, Sue Wilson, and Mardi Wing. Also present; City Manager Lars Gare, City Attorney John Putman, Public Works Director Luke Shepard, Fire Chief Barry Mammano, Police Chief Ed Wortman and City Engineer Mike Henry. Absent; Mayor Joanne Aagaard.

CONSENT CALENDAR Riley asked if everyone had received the minutes and the check register, and if they had any questions or corrections. None were voiced. Walhood made a motion, seconded by Doyle, to approve the consent calendar including the minutes of the January 14, 2015, regular City Council meeting and the January check register as presented; Walhood, Wilson, Wing, Riley and Doyle voted in favor; motion carried.

**CITIZEN INPUT
NON-AGENDA
ITEMS** None.

**PRESENTATIONS,
GUESTS & AN-
NOUNCEMENTS** None.

**PRESENTATION
OF AUDIT FOR
FY 2013/2014** Gare introduced Dick Perdue of Koontz, Perdue, Blasquez & Co., the City auditors, noting that things had gone smoothly with the new Finance Officer. Perdue stated his staff had come over to do the audit without him as he had had some health issues. He stated the audit had gone very well this year, it was a clean audit and the new Finance Officer Marni Johnston was learning a few things. He reported the City had made money last year and that some years it doesn't work that way. He stated he wouldn't go through the report page by page, but that was the sort of detail the Secretary of State's office liked to review. Perdue said that if the Council had any questions about any of that, he would be happy to address them. He stated he wanted to go over two letters with the Council that his firm had sent. Perdue reported that one of the issues had been that in the last few years the City had not been in compliance with a loan covenant on the City Hall building in which a reserve fund was to be established. He noted that this issue continued to be overlooked, but once Johnston made a journal entry to fix this there would be an adjustment made and the City wouldn't have a problem in the future. He reported that the accrual of vacation the City had on the books exceeded the ceiling on some the employees and if those employees left, the City would have to pay out their vacation. He stated he the next issue was the utility user fees, which

he was unable to find a resolution where the fees were approved by the City Council. Gare clarified that it was the debt service portion of the utility fees. Perdue mentioned the \$180,000.00 loan finances for the Police Dept. building that were paid directly to the financier. He stated it was still the City's money even though it didn't come into the City. He reported that staff had to restate last year's TRT last June because it wasn't entered correctly. Johnston pointed out that she had not been an employee of the City during the year this audit was covering. Perdue noted the overspending of the budget that he wanted to make sure didn't happen again. He explained that journal entries and credit cards were the two biggest areas for auditors to monitor for misuse and fraud and he described how that could happen and how difficult it was to find. He reported that Accounts Receivable supporting documents didn't match the books because no one had been reconciling the state highway regulations, but staff was aware of it now and it probably wouldn't happen in the future. Perdue stated that TRT income was processed by the same person so he had suggested that there be two people to process the TRT instead. He noted that most of these things were minor, but he had to report them. He the next item was the utility adjustment report, which needed to be reviewed by staff and the City Manager. He said the last issue was personnel file documentation, which should have anything the City had for documents on salary issues. He noted there was nothing in the audit to be overly concerned about. Riley asked Johnston if she was comfortable and if she understood the deficiencies. Johnston said yes, and that Perdue's staff were very helpful as well as Gare. Gare reported that some of these items had been taken care of already. He stated the Council would receive monthly reports from now on and make sure to keep the Council advised. Doyle commented that it was a very nice audit. Riley thanked Perdue.

**PRESENTATION
WASTEWATER
MASTER PLAN**

Public Works Director Luke Shepard recapped by saying in May 2014 the Council saw the Water Master Plan (WMP) and the Wastewater Master Plan (WWMP) was supposed to come at the same time. He stated City Engineer Mike Henry would go over the plan and answer any Council questions. Henry explained why the City was doing a facilities plan and that the 2006 plan was never submitted or approved by DEQ and it had no environmental record in the plan so it wouldn't have been useful if the City were to find state or federal funding for a project. He explained that DEQ had spent approximately a year before they gave the City any comments. He stated what he had looked at as he got into the plan were two major changes from the plan in 2006. He provided a description via a visual map. He noted it was not an effective way to pump sewage. Henry stated he came up with the idea of running a common pressure main from the plant to the 17th Ave. sewer lift station, which would allow the City to keep the pump stations much smaller. He stated staff had asked them to develop smaller projects and this concept would allow for that to occur. He added that it would also help if funding was available the City would have the option to do the entire project or a small portion of a project. He said that they had gone through the entire plant and found the trickling filter needed some improvements. He noted the entire upgrade of the

plant would be 2 million a significant difference from the 2004 estimate of 5 million. Henry reported that the plant itself was not at capacity and had plenty to carry it for 20 years or more without a problem. He stated at the end of his presentation he would like the Council to approve the plan since the City had DEQ approval, then the City could schedule a One Stop Meeting to determine what type of funding might be available. He added that there was no obligation and the lenders were at the meeting and gave their stipulations. Gare explained that some plans are optional, but this one was not and if the City wanted to play in that game it must have this Master Plan approved in order to move forward. He stated last spring the Council received the WMP and everyone had a copy, so staff wanted both approved tonight.

**APPROVAL &
ADOPTION WW
MASTER PLAN**

Wing made a motion, seconded by Wilson, to approve the Wastewater Master Plan for the City of Rockaway Beach; Wing, Wilson, Walhood, Doyle and Riley voted in favor; motion carried.

**APPROVAL &
ADOPTION WTR
MASTER PLAN**

Wing made a motion, seconded by Doyle, to approve the Water Master Plan for the City of Rockaway Beach, Wing, Doyle, Riley, Wilson and Walhood voted in favor; motion carried.

**ACCEPT BID FOR
HWY 101 WATER-
LINE PROJECT**

Gare explained staff had advertised and the bid process was completed, bids had been reviewed on February 5 and Council should have received a spreadsheet with the bids the City had received and the amount of each bid. He stated tonight he was asking the City Council to approve the bid from R&G Excavating. Shepard stated there had been a good turn out with approximately 8 contractors bidding on the project with the low bid being submitted by R&G Excavating. He stated he had no worries as he had worked with R&G before when they had done a portion of the Water Treatment Plant and that part of the project went very well. Riley asked if Henry was familiar with R&G Excavating. Henry said he was and in his opinion R&G was the best and the lowest bid. He added that they were good and had always done a good job for him. He suggested the Council make the motion subject to no protests coming in prior to the end of the day tomorrow. Gare asked that the Council give him the authority to sign the documents since the Council only meets once a month and staff wanted to get the project going before tourist season. Walhood made a motion, seconded by Doyle, to accept the bid by R&G Excavating in the amount of \$189,395.00 and the authorization for the City Manager to sign Project Documents subject to no protests being received by the end of tomorrow; Walhood, Doyle, Riley, Wing and Wilson voted in favor; motion carried.

**APPROVE RES.
NO. 15-633**

Riley stated due to ODOT-mandated Design Changes and the lowest winning bid coming in was above the Engineer's Estimate, use of the Water Operating Fund Contingency Account was required. Gare explained that when the City received the original estimate it was lower than the bid the City received, but the State changed some of the specifications such as the depth of the waterline, so extra shoring, extra

time and extra cost were added to the project. He said this extra cost would come from contingencies and this was one way to amend the budget with contingencies to help cover the added costs. He added that this would transfer \$10,000.00 from one account and \$18,500.00 from another within this fiscal year. Wilson made a motion, seconded by Wing, to approve Resolution No. 15-633 transferring Water Operating and Water Master Plan Reserve Contingency Accounts to Capital Outlay Accounts, amending the 2014-2015 budget; Wilson, Wing, Walhood, Doyle and Riley voted in favor; motion carried.

APPROVE RE-NEWAL CITY ATTY CONTRACT

Gare stated that the Attorney’s contract requires an annual renewal. He noted the terms of the contract remained the same as the previous contract. He stated Putman was good with staff and does what is required of him well and he would recommend approval. Doyle made a motion, seconded by Wilson, to approve the contract between John R. Putman and the City of Rockaway Beach for legal services through January 31, 2015; Doyle, Wilson, Walhood, Wing and Riley voted in favor; motion carried.

COMPLETE LAND DONATION TO CITY

Riley stated the City Attorney had completed the process with the donor and had produced the required deed for Council approval. Gare explained that this was an old item that the Council decided it wanted to readdress. Putman stated the statute that provided the language for the Council to accept the conveyance of the property was through this deed. Wing made a motion, seconded by Walhood, to approve of the donation of real property to the City of Rockaway Beach and directing the recording of the real property deed; roll call vote, Wing - yes, Walhood - yes, Wilson - yes, Doyle - yes and Riley – yes; motion carried.

STAFF REPORTS

Fire Chief Mammano reported that they had not been too busy last month; 188 man hours, 5 fire calls, 1 MVA and 22 medical calls. He said the Cadets were really coming along good. Wilson asked about the continued problems with the elevators at 105 NW 23rd Ave. Mammano stated he thought Riley had nipped it in the bud and the state had shut them down. Riley said the state came over and gave the owner a punch list of what needed to be done and when the problems continued the state came back and locked and red tagged the elevators. Putman stated that based on the Council’s consensus he had begun the work on an ordinance addressing repeat call outs to the same address, but hadn’t finished it and it was in the process of possibly bringing it to the City Manager later this month.

Police Chief Wortman reported that on February 7, Sgt. Stewart had raised \$1,200.00 doing the Polar Plunge. He thanked the Rockaway Beach Fire Department and Ambulance staff, Barry Mammano, Shawn Vincent, Lynda Holm and Don Kiser for their help with the event. He announced the dedication ceremony for the newly remodeled Police Station on February 20, from 3:00 to 5:00 p.m. He reported new recruit Officer Christopher Rondeau was doing well in his second week at the Police Academy. Wortman announced his retirement party set for Thursday,

February 26, from 3:30 to 5:00 p.m. He mentioned several scams that were currently occurring.

Shepard reported that in large part to Lynda Holm's help with emergency management the City had a grant in the works to fund informational tsunami signs indicating "you are here" and the nearest evacuation site. He stated the City is requesting \$10,000.00 and the only thing the City had to do would be to provide the labor to install the signs. He stated Olympic Resource Management had agreed to clear some land east of Victoria St. for an evacuation site and the City had to post a sign that it was an assembly point. Shepard reported that Miami Cove Electric had done the electricity at Seaview Lake and were now waiting on PUD. He stated Walhood had made a grant application to PUD to help fund the project. He reported that the waterline project would be picking up soon with a target completion date of March 31. He stated the water and sewer funds were where they should be for this time of year, but the street funds were a little tight, so he would watch those funds. He noted he was pulling the budget numbers together.

Gare announced the farewell event for Chief Wortman Thursday, February 26, downstairs in the Civic Facility at 3:00 p.m. until 5:00 p.m. He stated it was not a dinner event, but there would be refreshments provided by the volunteers and everyone was invited. He stated the second event was the Italian Dinner, Saturday, March 7, at 5:00 p.m. downstairs with a silent auction. Gare said this was probably the # 1 fundraiser for P&R and asked people to partake or donate as it was a good thing for kids to keep them busy and an all around good thing for the community. He reported that recently the City had sent off a roster to the State Ethics Commission which covers the City Council, Planning Commission and other City position where members had to recertify their economic interests. He stated Councilors would be receiving a form that they needed to complete and return to the State. He noted this would be the last year the State would do the recertification by mail.

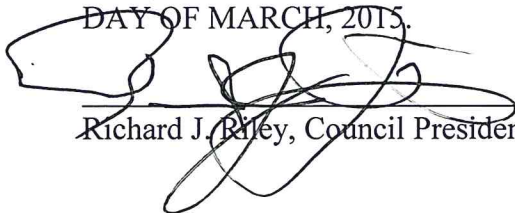
CC COMMENTS

Walhood reported that yesterday she was able to go the Tillamook Advisory Committee and regarding the Transient Lodging Tax they were moving forward going from that committee to the Economic Development Committee. She found that South County was primed to get a lot of that money, so thought it would be wise if the City was prepared for when the funding was released. She noted that in the Tillamook Coast Magazine there was a story on Pelican Pub and Cape Kiwanda and that the next edition would be about Rockaway Beach. Riley said this was his 8th year on the City Council and his final year and what a great team he had worked with, so talented and so unselfish, a wonderful team and he was very grateful.

ADJOURN

Wing made a motion, seconded by Wilson, to adjourn; Wing, Wilson, Walhood, Doyle and Riley voted in favor; motion carried. Riley adjourned the meeting at 7:11 p.m.

MINUTES APPROVED THIS 11TH
DAY OF MARCH, 2015.



Richard J. Riley, Council President



Lars Gare, City Manager