

# CITY OF ROCKAWAY BEACH



## City Council Meeting

Date: October 11, 2017  
Time: 6:00PM  
Location: City Hall Council Chambers

### CALL TO ORDER

Mayor Aagaard called the meeting to order at 6:00 p.m. There were twenty-eight (28) guests present.

### PLEDGE OF ALLEGIANCE

### ROLL CALL

Mayor: Joanne Aagaard                      Councilors: Sue Wilson, Nathan Beeman, Jim Doyle, Kristine Hayes, Terry Walhood

Also present: City Manager Lars Gare, City Attorney John Putman, Public Works Director Luke Shepard, Fire Chief Barry Mammano, Parks & Recreation Director Melissa McCarty and Police Chief Charlie Stewart.

### CONSENT CALENDAR

- a. September 2017 Check Register
- b. Minutes of September 13, 2017 City Council Meeting

Gare noted the new format for the minutes and the changes. City Council liked the new format. Walhood made a motion, seconded by Wilson, to approve the Consent Agenda as indicated.

Position #4 - Terry Walhood: Motion

Position #2 - Sue Wilson: 2nd

Mayor - Joanne Aagaard: Approve

Position #1 - Nathan Beeman: Approve

Position #2 - Sue Wilson: Approve

Position #3 - Kristine Hayes: Abstain

Position #4 - Terry Walhood: Approve

Position #5 - James Doyle: Approve

### CITIZEN INPUT ON NON-AGENDA ITEMS

Penny Cheek, 135 S. Lagoon, thanked everyone, the Mayor, City Council, Police Department, Fire Department and Public Works for their assistance with the Race of Champions, with a special thanks to Marni Johnston for all that she had done. She thanked the sponsors stating Tillamook Creamery had donated \$5,000.00. She said there were many more who had donated time and money and the entire Board, herself and the Special Olympics wanted to thank them all. Cheek stated they were fortunate this year with a total revenue of \$11,481.00 net. She added that hopefully next year they would have more athletes participate. Mayor Aagaard pointed out that the race was held for the local kids and all of the money stays here in Tillamook County.

David Jeffers, 122 N. 3<sup>rd</sup> Ave., expressed his concern with the water rate increase saying the water rates should reflect actual usage and not a flat rate every 2 months.

Janet McIntire, 947 S. Juniper St., stated she was at tonight's meeting as the Planning Commission President to let the City Council know the Planning Commission had scheduled their annual work session on November 7, 2017 at 6:00 p.m. and it was open to the public. She stated she would like to have the Council come, if any or a few could. She stated the City had a new planner and he and the Commission would look at what was working or not working and determine where they would go from there. City Attorney John Putman reminded them that if a quorum of the Council were at the meeting to deliberate then the meeting should be noticed.

Dave Moncrieffe, 1402 Nehalem Ave., expressed his concern with the drinkability of his water and that he had to purchase bottled water.

Paul Wenrick, 135 S. Ocean St., stated he was moving here as a full time resident and had been a part time resident for 10 years. He said the utility bill seemed high and drinking the water made him sick, so if the City was going to raise rates it needed to make it more useable for the users. He stated if you lived here it may not bother you, but if you came from some place else it gave he and his family diarrhea.

#### **PRESENTATIONS, GUESTS AND ANNOUNCEMENTS** None

Gare announced that long time volunteer for the City, Ruth Daugherty, had passed away. He stated she was a wonderful member of the community who contributed a lot to the community. He gave his condolences to the family.

#### **STAFF REPORTS**

1) Parks and Rec  
4) Public Works

2) Fire Dept  
5) City Manager

3) Police Dept

Parks & Recreation Director Melissa McCarty reported that the summer had gone really well and the registration had doubled. She thanked all the volunteers. She stated she had been busy with the two upcoming events for Halloween. She announced that on Friday, October 27, 2017 there would be a dance-off and costume contest party from 7:00 p.m. to 9:00 p.m. with a band and that would be in the Civic Facility. She stated on Saturday, October 28, 2017, from 6:00 p.m. to 7:30 p.m. there would be a children's party and the Community Center. She stated she was considering changing some of the fundraisers and trying new community events. McCarty reported Carnival in the Park had raised over \$4,000.00, which was better than last year. She stated the sheds at the park were broken into and she thanked Public Works and the Police Department for their work.

Fire Chief Barry Mammano commented that he had no complaints about the water and he had been drinking it since 1943. He added the City should raise the rates every year. Mammano reported the department had accumulated 109 man hours in September, 7 fire calls, 1 MVA and had done some beach patrol. He mentioned that they had gotten a new device called Emily which was a 3-4 foot boat that would go out in the surf and could pick up people in the water who had gotten exhausted and were tired.

Police Chief Charlie Stewart reported he had seen a decrease in requests for service. He made comparisons of arrests over a 4 year span. He noted a decrease in nuisance calls that allowed them to focus on training and housekeeping. He stated they had set the date for the 2018 Polar Plunge for January 28, 2018, at 9:00 a.m. at the Silver Sands Motel and the August 7, 2018, from 5:00 to 7:00 p.m. for National Night Out. He stated the officers had done a great job and the large increase in arrests was because of citizen involvement. Stewart stated with the funds coming in from the donation letter he had purchased AEDs and would have training. He warned of a new scam in letter form coming from Spain and to let the Police Department know if anyone received one of the letters.

Public Works Director Luke Shepard reported on the Jetty Creek Impoundment Project. He explained the project had been in the works for a lot of years, but they broke ground in June of this year. He said it was a big project that had to get done and they got it done at a fraction of the cost had the City had to try to do it on its own. He stated it was funded by grants and other agencies and only cost the City approximately \$90,000.00. He presented a power point slide show. He explained that the old impoundment could only hold about 6,000 gallons of water and the new one would hold 300,000 gallons. He said the City should be in a position to make as much water as was needed for quite a few years to come. Hayes asked if there was less turbidity. Shepard replied yes, they had more control over what goes into the impoundment. Doyle asked about water quality. Shepard stated the City had a very good plant now that goes way beyond standards. He said Jetty Creek water was tested instantaneously 24/7 and should be good to drink.

Gare announced a meeting on October 18, 2017, at 5:30 p.m. in the Civic Facility to discuss the emergency plan and allow input in an open forum. Hayes asked if Council could attend, too. Gare said if they came, they shouldn't sit together and they shouldn't get up to talk, they must avoid doing business. He announced the Holiday Gift Fair after Thanksgiving Friday, November 24 and Saturday, November

25, which appears to be getting full with spaces going fast. He encouraged people to attend and support Parks & Recreation. He noted he didn't know when the decorations would go up, but would advise the Council in the future. Gare stated the City needed to make a decision whether to go for a real tree or continue as last year with the village lights, which didn't fair well for the City. He mentioned the vandalism at the park sheds which was part of a pattern of minor crimes, but whatever was stolen or damaged had been repaired.

## **OLD BUSINESS**

## **NEW BUSINESS**

### **REAPPOINT TWO PLANNING COMMISSION MEMBERS**

Mayor Aagaard stated the Planning Commission terms of Penny Cheek and Pat Olson had expired; both had expressed the desire to continue service to the community. Walhood made a motion, seconded by Beeman, to approve the reappointment of Commissioners Pat Olson and Penny Cheek to the Rockaway Beach Planning Commission.

Position #4 - Terry Walhood: Motion

Position #1 - Nathan Beeman: 2nd

Mavor - Joanne Aagaard: Approve

Position #1 - Nathan Beeman: Approve

Position #2 - Sue Wilson: Approve

Position #3 - Kristine Hayes: Approve

Position #4 - Terry Walhood: Approve

Position #5 - James Doyle: Approve

### **PUBLIC HEARING ON PROPOSED INCREASE TO CITY WATER UTILITY RATES**

Shepard stated the last time the water rates had been increased had been June of 2009, so it had been a little over 8 years and it was time to look at raising the water rates. He stated this had been discussed during a budget meeting earlier this year when it was pointed out that since the 2015/2016 budget year the water system was operating at a loss, but had kept afloat by spending down the reserves built up between 2009 and 2014. He noted this was a pattern of the City either feast or famine, so now it was at the end of a rate cycle and he had to recommend a rate increase. Shepard stated the standard practice was to have a feasibility study done. He explained that the consultant had looked at different options for how the City billed its customer water usage which were fairly complicated, but the big problem with the proposals was that they called for an increase of \$25.00 to \$40.00. He stated it didn't take long for staff to determine that that was absolutely unacceptable, so they looked at what would work and make it solvent for the next few years. Shepard said it was determined it was advantageous to have a one time rate increase of \$9.00 to \$10.00 per month and a minimum 3% increase each year after up to five years. He pointed out that if this was done, it would put the City right in the middle of the pack and staff wouldn't have to come back to the Council every year to ask for an increase. Doyle noted that the \$165.00 currently billed included sewer. Shepard agreed stating it was \$63.40 per month right now for water only. Hayes asked why there was a \$5.00 difference for out of City users. Gare replied it was standard if a user was out of the City limits, they paid a higher rate because they didn't pay property taxes, so they should pay accordingly. Doyle asked Shepard to address the water testing. Shepard stated the City did a lot of testing on the water and hadn't had a problem for quite some time. He noted the last problem was the TTHMs a byproduct of cleaning the water. He said they send samples out to the state and at the water plant the water was tested 24/7. Hayes asked if the problem with water quality was due to old pipes. Shepard answered yes, there were a lot of old pipes in the distribution system and that was what needed to be done next. He explained that 30% of the pipes in the ground needed to be replaced and upgraded. Gare stated in the 8 years since 2009, which was when the shovel ready grants were available and the City had a decrepid plant, staff was able get funding to do the project. He said at that time it was on such a fast track the City was unable to test for the type of membranes that were needed and the TTHM problem had to be fixed. He explained that was when the City had to get sandfilters and after that had to get new membranes so now the City had a state of the art plant and with the new impoundment it produced better raw water. Gare further explained that work took care of that end of the system so the other end were the pipes, the City had spent the reserves to upgrade the plant and now needed to raise the rates to improve the distribution system. He stated if the City did the minimal increase with the minor increase each year,



that was the only way to subsidize the water. He said rates were set to upgrade and maintain the system so not seeing the rates increase for 8 years had put the City right here. Hayes asked if there was a list of projected projects. Gare said that was what was in the Water Master Plan a list of projects. Shepard added that the City had its Master Plan and there were \$20,000,000.00 in improvement projects that needed to be done in the next 25 years and he could only pick what the City could afford so any list he might provide her would be minor. He noted one project would be the water line in Breaker

Avenue. Walhood pointed out that residences should have their own pipes checked as well.

Mayor Aagaard convened the public hearing at  
[07:03:43 PM \(01:03:00\)](#)

Dave Moncrieffe, 1402 Nehalem Ave., agreed with Walhood regarding the pipes in residences. He asked how much could the senior citizens pay. He said the government should be generating its own money by creating an RV park at the City park. He noted there should be a fee attached to the 4-day RV permits. He added that there are many City owned RV parks.

Mayor Aagaard concluded hearing at  
[07:07:57 PM \(01:07:14\)](#)

### **DISCUSS PROPOSED WATER UTILITY RATE INCREASE**

Wilson stated she was on the City Council in 2009 that raised rates because audits had not been done and when they were done it was found that the City was in a deficit. She stated it was a huge rate increase and she was sorry now that there wasn't some increase linked to COLA so the City would have been better off now. She said the City would be better served if the Council instituted the \$10.00 per month increase and the 3% increase each year after. Walhood said she agreed with Wilson that instead of waiting so long and having to make a large jump there should just be a small increase each year. Gare stated Shepard had done an incredible job at evaluating the numbers he received and what he had come up with here. Hayes affirmed the proposal was for a \$10.00 per month increase and then asked if it was a \$5.00 per month increase over the next years. Shepard stated no, he believe it would be a \$1.00 per month increase for each year following. He explained it was not an increase on the total bill it was just a 3% of the base rate. Hayes asked what that was a month going forward. Shepard stated each year it would increase \$1.00 per month. Walhood thought the last increase had been way more. Gare stated it had to be more because once the improvements were made the City had to have the finances to maintain it. Hayes asked if this went into the General Fund. Gare stated no, this was called an enterprise fund and had to go back to water, it can be borrowed from but only to water.

### **APPROVAL OF RESOLUTION 17-661, RELATING TO REVENUE AND EXPENDITURES FOR THE CHETCO BAR NENA SPRINGS FIRES**

Mayor Aagaard stated this was a State requirement, a pass-thru of state money enabling payment to Rockaway Beach Volunteer Firefighters who supported the efforts against these fires. Gare explained that it came to almost \$44,000.00 that was built into the budget to expend then the state sends the City a check and then the City pays the individual, but the City had to have a resolution approving it. Wilson made a motion, seconded by Walhood, to approve Resolution No. 17-661 Relating to Revenue and Expenditures for the Chetco Bar Nena Springs Fires.

[Position #2 - Sue Wilson: Motion](#)

[Position #4 - Terry Walhood: 2nd](#)

[Mavor - Joanne Aagaard: Approve](#)

[Position #1 - Nathan Beeman: Approve](#)

[Position #2 - Sue Wilson: Approve](#)

[Position #3 - Kristine Hayes: Approve](#)

[Position #4 - Terry Walhood: Approve](#)

[Position #5 - James Doyle: Approve](#)

**APPROVAL OF RESOLUTION 17-662, AUTHORIZING ESTABLISHMENT OF HEALTH REIMBURSEMENT ARRANGEMENT/VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION (HRA/VEBA) PLANS FOR ROCKAWAY BEACH**

Mayor Aagaard stated establishment of these plans for City Employees was part of the recently approved Union Contract. Gare explained that this was part of the union negotiations the City agreed to. He stated this contribution was because of the difference in insurance plans and this was the resolution needed to implement this. He noted it was a good benefit for employees. Doyle made a motion, seconded by Wilson, to approve Resolution No. 17-662 authorizing establishment of HRA/VEBA Plans for the City of Rockaway Beach.

Position #5 - James Doyle: Motion

Position #2 - Sue Wilson: 2nd

Mayor - Joanne Aagaard: Approve

Position #1 - Nathan Beeman: Approve

Position #2 - Sue Wilson: Approve

Position #3 - Kristine Hayes: Approve

Position #4 - Terry Walhood: Approve

Position #5 - James Doyle: Approve

**COUNCIL COMMENTS**

Hayes stated that Neah-Kah-Nie had been winning most of their games. She announced the Burger Bash and Haunted House would be held in the old lumber yard building. Beeman thanked everybody for their work. Walhood stated on September 28 the Valley Catholic Church from Portland brought students and parents who went all over the City doing community service; the Fire Hall, Community Garden, Rockaway Community Church and some private residences. She stated it had worked out well because last spring they had to cancel due to severe weather.

Mammano stated he had received an email asking the Fire Department to take a fire vehicle to California if necessary and he would like the Council's support.

**MAYOR'S REPORT**

Mayor Aagaard said hello to all of the Special Olympic kids. She stated she had family from Denmark staying with her.

**ATTORNEY COMMENTS**

Putman stated he had been provided a copy of the Hettervig case that had been dismissed.

**ADJOURN--Next Meeting November 8, 2017**

Beeman made a motion, seconded by Wilson, to adjourn. Mayor Aagaard adjourned the meeting at 7:24 p.m.

Position #1 - Nathan Beeman: Motion

Position #2 - Sue Wilson: 2nd

Mayor - Joanne Aagaard: Approve

Position #1 - Nathan Beeman: Approve

Position #2 - Sue Wilson: Approve

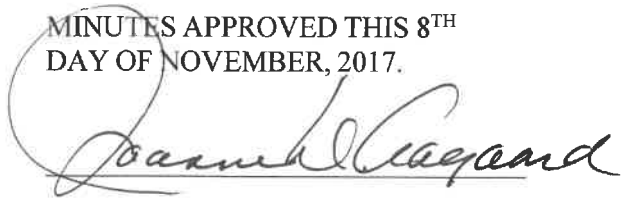
Position #3 - Kristine Hayes: Approve

Position #4 - Terry Walhood: Approve

Position #5 - James Doyle: Approve

**07:24:04 PM (01:23:21)**

MINUTES APPROVED THIS 8<sup>TH</sup>  
DAY OF NOVEMBER, 2017.



Joanne H. Cayard



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Lars Gare, City Manager