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City of Yachats
CITY COUNCIL MEETING
June 15, 2022

YACHATS URBAN RENEWAL BUDGET HEARING

Meeting called to order at 2:02 pm BY Mayor Leslie Vaaler

Present: Mary Ellen O’Shaughnessey, Ann Stott, Council President, Leslie Vaaler, Mayor, Heide Lambert, City Manager, Dayna Capron, Quinton Smith, Tom Lauritzen, Don Groth, Susan Stoddart Excused: Greg Scott;

I. PUBLIC HEARING AND COMMENT ON FY22-23 URBAN RENEWAL BUDGET

(01:34) Vaaler opened the meeting to public comment.

(02:07) Stoddart spoke about attending the Public Works and Streets meeting the day before and voiced concern over the 2nd Street Project being postponed. Indicated that she felt a percentage of the room tax used for tourism should be appropriated to the 2nd Street project expressing that there are two hotels at the bottom of the street as well as vacation rentals on the street.

(3:23) Vaaler indicated Stoddart’s comments would be taken under consideration at the regular meeting of the City Council.

(5:10) Vaaler indicated she spoke with Lambert and Lauritzen regarding the Resolution and the Budget Sheet not being the same. She then asked for questions or comments and advised an accurate Resolution needed to be made. She reviewed the documents included in the meeting packet. Lauritzen agreed with her presentation and advised the correct version was on the website.

(11:13) Groth indicated figures need to be carried over to the approved column after the approval.

II. RESOLUTION ADOPTING FY22-23 URBAN RENEWAL BUDGET

(12:08) Vaaler indicated the Resolution is #2022-101 and explained the corrections. She then asked Lauritzen about the Administration Fee.

(13:23) Lauritzen advised the Fee is not spent by Urban Renewal it is transferred to the City. He referred to Groth’s comment and advised there is a correct version.

(14:59) Stott made the motion **to adopt Resolution #2022-101 adopting the 2022-2023 budget of the Yachats Urban Renewal Agency with the understanding it was the first column that has been proposed by the Budget Officer and there have been no changes by the Budget Committee so we will be adopting the first column of numbers.**

1 **Vote:** O'Shaughnessey, yes; Stott, yes; and Vaaler, yes. Three members
2 equal a quorum; **motion carried unanimously. 3/0**

3 (16:17) Vaaler adjourned the meeting of the Yachats Urban Renewal Agency
4 at 2:18 pm.

5 **REGULAR MEETING**

6 (16:36) Vaaler called the meeting to order at 2:20 pm indicating a quorum consisting
7 of O'Shaughnessey, Stott and Vaaler. Also present Tom Lauritzen, Rick McClung,
8 Quinton Smith, Linn West, Bette Perman, Excused, Greg Scott *Councilor Muirhead*
9 *joined the meeting at 2:25 pm.*

10 **I. WATER AND SEWER RATES FY22-23**

11 (17:07) Vaaler referred to the documents in the meeting packet and increase
12 in utilities.

13 (18:01) McClung explained his documents and how the increase would affect
14 residents.

15 (22:29) Vaaler mentioned discussion from the previous meeting and
16 Councilor Scott's comment about water security and that the 7% increase
17 now could put off a larger increase in the future.

18 (22:59) Stott indicated she spoke with Scott before the meeting and he
19 reiterated his belief that this increase should be put in place. Pursuant to the
20 discussion from the last meeting (*time stamp 1:28:58 on 6/2/22 meeting*),
21 Stott concurred.

22 (24:40) Stott made the motion **to increase the water and wastewater rates**
23 **seven percent (7%) for the 2022-2023 Budget Year.**

24 (25:30) Councilor Muirhead joined the meeting and indicated residents pay a
25 lot of money for water and he questioned how the food tax figured into the
26 water and wastewater rates.

27 (26:28) Stott indicated the food and beverage tax goes to paying the loan on
28 the sewage treatment plant. Muirhead expressed his understanding but felt
29 7% was too much when everything else is going up.

30 **Vote:** Muirhead, no; O'Shaughnessey, yes; Stott, yes; and Vaaler, yes.

31 **Motion carried 3 yes, 1 no.**

32 **II. CITY OF YACHATS BUDGET**

33 **A. Public Hearing and Comment on FY22-23 City Budget and Shared** 34 **Revenue Use**

35 (29:51) Smith questioned the 2nd Street project and if there was anything
36 that Public Works could share that would impact the budget going forward.

37 (30:33) McClung advised the original estimates for the project were in the
38 high \$300Ks but the lowest bid came back in at about \$618K so the bid
39 was denied. He went on to discuss ODOT offering a larger grant so he
40 (McClung) is resubmitting the grant application for \$250K. Awards for that
41 will come in October.

1 (32:52) Stott asked if adjustments could be made to the project to lower
2 the cost.

3 (32:02) McClung advised there were some things that could reduce the
4 cost such as removing the curb, reducing the scope of the storm drain
5 system to the trouble spots only and that would reduce the cost about
6 \$150K, but that still leaves the project over budget so the higher grant will
7 be necessary.

8 (33:43) Stott asked if the issues Stoddart brought up will be taken care of
9 and McClung confirmed that it would. He went on to say that a group of
10 East 2nd Street residents attended the Public Works and Streets meeting
11 the day before.

12 (35:35) Vaaler closed public hearing at 3:14 pm.

13 **B. Resolution Declaring City's Election to Receive State Revenues**

14 (36:58) Resolution #2022-102

15 (36:18) Vaaler moved to **accept Resolution #2022-102 Declaring the**
16 **City of Yachats Election to Receive State Revenue Sharing.**

17 **Vote:** Muirhead, yes; O'Shaughnessey, yes; Stott, yes; and Vaaler, yes.

18 **Motion carried unanimously. 4/0**

19 **C. Resolution Approving Tax Rates**

20 (37:49) Lauritzen advised the rate cannot be raised as it is the permanent
21 rate elected in 1997.

22 (38:34) Stott made the motion to **pass Resolution #2022-100 involving**
23 **the property tax rate for the City of Yachats.**

24 **Vote:** Muirhead, yes; O'Shaughnessey, yes; Stott, yes; and Vaaler, yes.

25 **Motion carried unanimously. 4/0**

26 **D. Resolution to Adopt FY22-23 City Budget**

27 (39:39) Vaaler referred to the pages of the Budget Manual and what
28 changes the Council is allowed to make. She then summarized the budget
29 process. She then proceeded to make comments on the budget:

30 Page 7, **Our labor contract expires June 30, 2022. We have**
31 **anticipated a one-time step up in hourly rates of 10% 7.5% to**
32 **appropriate enough to cover the expected costs.**

33 Page 17, Vaaler indicated the Budget Committee did not approve the
34 \$25K for Fireworks but that they did approve monies for an "alternate" light
35 show. She went on to discuss that the Committee did not approve the
36 monies for 4th of July Festivities.

37 Page 18, referral to a Community Services Coordinator which is currently
38 not a position.

39 Page 19, **The building hosts City Hall Council Chambers and the**
40 **Yachats Youth and Family Program...**

41 Page 21, under personnel a \$1 mis-entry.

1 Page 25, suggested the title leave off “museum” as this is a historical site
2 built as a church that became a museum.

3 Page 28, **Formally adopted by the City of Yachats in 2009, the**
4 **Yachats all-volunteer Trails Committee Team meets twice or more**
5 **monthly (weather permitting) to maintain and develop hiking trails**
6 **throughout the Yachats region.**

7 Pages 29 and 34 entries in red to be changed to black.

8 Page 37, in the Storm Drain Capital Reserve there was a mistake (\$85K
9 changed to \$50K).

10 Page 43, \$1 mistakes to be corrected in the final document.

11 Vaaler also indicated figures for Utilities would change with the 7%
12 increase just voted for.

13 (47:44) O’Shughnessey thought the \$25K approved was for fireworks.

14 Vaaler indicated there is \$25K for this year’s fireworks and the \$25 in the
15 budget is for 2023.

16 (50:15) Vaaler made the motion to **pass Resolution #2022-103 with the**
17 **understanding that the numbers will be changed in the Resolution to**
18 **match the change in utility rates from 5% to 7% and to change any**
19 **typos that are detected and concurred by the City Manager, Tom**
20 **Lauritzen and the Mayor and further approving the Budget document**
21 **with the correction of Column 3 being filled in to match Column 2**
22 **approved by the Budget Committee.**

23 **Vote:** Muirhead, yes; O’Shaughnessey, yes; Stott, yes; and Vaaler, yes.

24 **Motion carried unanimously. 4/0**

25 **III. ANNOUNCEMENTS, CORRESPONDENCE PROCLAMATIONS**

26 (52:47) Vaaler shared correspondence from someone in Cannon Beach
27 regarding a food and beverage tax and their adoption of a food tax with funds
28 going to infrastructure and rising costs of emergency services.

29 (55:18) Vaaler then read “Asking Saves Kids Proclamation 2022” regarding
30 gun safety proclaiming June 21, 2022 as Yachats Ask Day.

31 **IV. PUBLIC COMMENT**

32 (57:32) Perman wanted to reiterate and draw attention to the comments of
33 Stoddart and said this work has been postponed many times. She also
34 mentioned that the City doesn’t have an organized system of road
35 maintenance. A major concern is the asbestos cement water pipes that are
36 over 100 years old. She went on to discuss the use of Visitor Amenity Funds
37 for street repair and asked the Council to seriously look into the issue.

38 (1:00:41) Stoddart reiterated again what she said previously and what
39 Perman stated. She also felt stop signs or “slow down” signs could be used
40 as tourists don’t treat the road as a residential area.

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1 **V. NEW BUSINESS**

2 **A. Drug Take-Back Mail-Back Solution**

3 (1:02:20) Vaaler indicated she received an email asking that the City
4 concur that C&K Market represents a convenient and equitable option for
5 drug take back in your community. She discussed this with Lambert, and it
6 was decided the wisdom of the whole Council was needed. She then
7 referred to the documents in the meeting packet. She asked if anyone had
8 comments.

9 (1:04:25) O'Shaughnessey agreed that it was a good idea. Her only
10 concerns were if the receptacles were safe from break-ins and if C&K
11 agreed to the program. She felt that it would help protect the environment.

12 **VI. OLD BUSINESS**

13 **A. Resolution Memorializing Initial City Manager Evaluation**

14 (1:05:42) Vaaler referred to and read the resolution in the packet #2022-
15 06-01.

16 (1:08:15) Stott made the motion **to approve the resolution**
17 **memorializing the initial evaluation of Heide Lambert with correction**
18 **of the typo**. She stated the evaluation was very successful and gave
19 Lambert a "round of applause".

20 (1:09:03) O'Shaughnessey indicated Lambert came into a difficult situation
21 and she has done a great job.

22 **Vote:** Muirhead, yes; O'Shaughnessey, yes; Stott, yes; and Vaaler, yes.
23 **Motion carried unanimously. 4/0**

24 **VII. REPORTS**

25 (1:10:55) Lambert indicated the Pride Festival happened last weekend and it
26 was well attended and a great success.

27 **A. July 2nd Fireworks Show and July 4th La De Da Parade**

28 (1:11:14) Lambert wanted to remind Council of fireworks on July 2nd and
29 the parade on July 4th and applications to march are being accepted.

30 **VIII. OTHER BUSINESS**

31 **A. From Mayor**

32 **B. From Council**

33 **C. From Staff**

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35 Meeting adjourned at 3:17 pm by Mayor Vaaler.

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37 Transcribed by Contractor, L.F. Barrett, June 27, 2022