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THE CITY OF GARIBALDI IS AN EQUAL OPPORTUNITY PROVIDER

REGULAR GARIBALDI CITY COUNCIL MEETING

Monday, June 20, 2011

Council Chambers, 7:00 P.M.

I. PUBLIC HEARING ON THE FY 2011-2012 BUDGET

Mayor Suzanne McCarthy opened the hearing at 7:05 p.m. O'Leary noted changes to the approved budget including a reduction in projected revenue, due to population shrinkage, to be received from the state totaling approximately \$8,300, slight adjustments to the budgeted amounts for shared expenses category in operating funds for General, Street, Wastewater, and Water; and adjustments to administrative staff costs. Mayor McCarthy asked for public comment. Hearing no comments made by the public the Chair closed Hearing at 7:10 p.m.

II. PUBLIC HEARING ON PROPOSED USES OF STATE REVENUE SHARING MONIES

Mayor Suzanne McCarthy opened the hearing at 7:10 p.m. and asked for public comment. Hearing none, she closed the hearing at 7:10 p.m.

III. CALL TO ORDER

Mayor Suzanne McCarthy called to order the regular City Council meeting at 7:10 p.m. Present were Council President Terry Kandle, Council Members Jerry Bartolomucci, Betty Thomas, and John Foulk, City Manager John O'Leary, Assistant City Manager Mary DeLoria, Public Works Director Wayne Schultz, Deputy Robert Pippenger, Fire Chief Jay Marugg, Eugene Tish [*arrived late*] and Joe Wrabek.

IV. CONSENT CALENDAR

Mayor McCarthy asked council if there were any items to be removed from the consent calendar. Hearing no such request, McCarthy asked for a motion.

- A. Approval of May 2, 2011 Budget Committee Meeting Minutes
- B. Approval of May 16, 2011 Regular Council Meeting Minutes
- C. Approval of June 6, 2011 Special Council Workshop Minutes
- D. Acknowledgement of May Financial Documents and Payment of Bills
- E. Adoption of a Resolution Continuing to Charge Franchise Fees to the City's Utilities for FY 2011-2012
- F. Adoption of a Resolution Making Transfers to the General Fund, the Street Fund, the Payroll Liabilities Fund, the Public Works Equipment Reserve Fund, and the Public Safety Equipment Reserve Fund as Budgeted for FY 2010-2011
- G. Adoption of a Resolution Declaring the City's Election to Receive State Revenues
- H. Adoption of a Resolution Authorizing the City to Pursue a Small Cities Allotment Grant funded through ODOT

- I. Adoption of a Resolution Requesting the Basic Coastal Zone Management Grant for FY 2011-2012
- J. Adoption of a Resolution Declaring the Fire Department's 1991 Chevrolet Pick-Up Truck Surplus Property, Providing for Exemption From Competitive Bid, and Approving Disposal by Liquidation Sale or Other Appropriate Disposal Method
- K. Adoption of a Resolution Entering Into an Intergovernmental Agreement with Fire Department Agencies in Clatsop and Tillamook Counties
- L. Adoption of a Resolution Entering Into an Agreement with Oregon Emergency Management to Receive and Expend Grant Funds for the Purpose of Seismically Rehabilitating Fire Department Facilities

MOTION made by Cn Thomas to approve the consent calendar as presented. Seconded by Cn Kandle. AYES: McCarthy, Kandle, Bartolomucci, Thomas, Foulk. None opposed. MOTION PASSED.

IV. PUBLIC COMMENT

[No Presentations]

IV. PRESENTATIONS

[No Presentations]

V. CORRESPONDENCE

Tillamook County Community Development – Notice of Intent to Terminate the Current Intergovernmental Agreement (IGA) Establishing Building Department and Land Use Planning Operations. O'Leary discussed the letter received from Craig Wakefield, County Building Official, regarding the County's intent to terminate the existing building department IGA in 30 days from the notice date, or 30 June 2011. O'Leary noted that he requested the letter prior to termination of the IGA due to the short notice provided to the City by Tillamook County. O'Leary further noted that the *Memorandum of Understanding* referenced by Wakefield's notice is fundamentally the same as the existing IGA, and that City staff is not satisfied with the conditions of the proposed IGA. The Council expressed concern about the possibility of confusion and difficulty caused to building permit applicants by the inevitable division of permit-issuing responsibilities between the City and the County. O'Leary responded that the city is, and will remain, responsible for running the land use permit program. O'Leary further explained that if the City and County separate the land use and building permit process, the City would need to provide an emphasis on educating the public on what each agency regulated. He noted that the City's permit application packet clearly and thoroughly explains the process and answers many common questions posed by customers. The council directed the City Manager to draft a letter to the County Commissioners requesting that they not terminate the agreement until a new agreement is in place, stating the City's concern for providing customer service. O'Leary noted that if the current IGA is terminated, city staff will have 90 days to refine the existing land use program to accommodate the new relationship.

Garibaldi Museum – Invitation to Scholarship Reception Mayor McCarthy briefly discussed the invitation received from the Garibaldi Museum for its annual

scholarship award event, noting her pleasure in attending last years' event and her favorable impression of the effort and creativity shown by the award recipients.

VI. COMMUNITY REPORTS

[No Community Reports]

VII. OLD BUSINESS

[None.]

VIII. NEW BUSINESS

Approval of a Resolution Adopting the FY 2011-2012 City Budget as Approved by the Budget Committee with Recommended Changes by the Budget Officer, Making Appropriations, Categorizing and Levying Taxes. MOTION made by Cn Thomas to approve the Resolution Adopting the FY 2011-2012 City Budget as Approved by the Budget Committee with Recommended Changes by the Budget Officer, Making Appropriations, Categorizing and Levying Taxes. Seconded by Cn Foulk. AYES: McCarthy, Kandle, Bartolomucci, Thomas, Foulk. None opposed. MOTION PASSED.

- B. *Review of Water Utility Rate Structure Recommendation.* The Council and staff discussed the Manager's recommendation to change the City's water utility rate, with an emphasis on potential impacts to various segments of the residential and commercial population. O'Leary noted that the proposed change to the water rate structure was to put the overall rates on a par with those of other coastal port communities in Oregon, and that proposed restructuring will have a minimal impact on low volume water users. Cns Kandle and Foulk were not in favor of changing the rate structure or reducing the monthly base water allotment. Cn Thomas noted that the City must take action to be competitive for attracting businesses. O'Leary noted that if there is no change to the rate structure, the approved budget for FY 2011-2012 will still be balanced and will work for the fiscal year, resulting in a small reduction in cash reserves. Council and staff discussed the potential for staff reduction in Public Works to trim expenditures for FY 2012-13 and forward. Schultz noted water infrastructure is aging, and that increasing revenues are going toward personnel expense rather than water production. O'Leary noted that reducing staff can create a deferred maintenance situation, which is just as dangerous in the long-term as cutting into cash reserves. It was noted that three people can operate the various public works systems and provide adequate customer service, which will lower expenditures and allow continued building of reserve funds and contracting out of planned infrastructure replacement. O'Leary noted that the city is currently at a break-even level to contract out for infrastructure work as compared to having the work performed by city personnel. O'Leary stated that in order to balance the budget, his plan for FY 2011-2012 is to restructure the water utility rates and in FY 2012-2013, a position in Public Works must be eliminated. O'Leary and the Council agreed to continue this discussion at the upcoming Town Hall Meeting, set for Monday, 11 July 2011, on the proposed water rate restructuring plan.

IX. STAFF REPORTS

Fire Dept.: Marugg discussed the recent live fire training that took place in Bay City, and discussed the live fire training in Barview planned for the weekend of 25 June. He noted that the asbestos issue at the Barview site was abated and DEQ has approved the burn.

Police Dept.: Cn Foulk thanked Deputy Pippenger for focusing on the guide boat business licensing issue. Pippenger noted that he is working on signs to post at the Port regarding business licensing and also that he is looking at solicitor / hawker issues with the help of a tracking spreadsheet developed by city staff.

Public Works: Cn Bartolomucci noted that Lumberman's Park looks good. Schultz commented that he spoke with Pat Patterson of the Lions Club about replacing the Lions' sign, and brought the council up-to-date on the significant elements of the sign work.

Planning: O'Leary discussed the changes planned for the Oregon Coast Scenic Railroad (OCSR) site with the approved expansion of the train barn. Discussion of where the engines are parked along the railroad line and OCSR's operational and security requirements that dictate engine parking locations. It was noted that the expansion is primarily to house the current steam engines and to provide a secure covered work area for the organization.

Admin: 12th Street Project: O'Leary gave the council an update and noted that to meet the grant timeline, he needs to advertise for bids by mid-August and to award the job by mid-September 2011.

Old Texaco station (513 Garibaldi Avenue): O'Leary noted that he met with the new potential buyer recently, and was favorably impressed by the apparent buyer's business competence and knowledge of issues regarding infrastructure and regional tourism. Eugene Tish noted that he also met with the potential buyer, who indicated he has a good relationship with DEQ. Both O'Leary and Tish are optimistic about the sale outcome.

Nuisance issues: O'Leary and Pippenger are reviewing nuisance issues. O'Leary discussed his intention to propose a revision to the nuisance code. O'Leary explained that updating the code would enhance the city's ability to effectively deal with current nuisance issues. Cn Kandle suggested an annual city clean-up week as a way to foster compliance with related nuisance code.

X. COUNCIL REPORTS

Mayor: Mayor McCarthy introduced Eugene Tish, who spoke about the Tourism Commission's recently completed online residential survey. Tish noted the draft of the Executive Summary of the results reveals that the commission's focus should be on the harbor, boats, and the train. He further noted that survey respondents noted a strong sense of history and a desire to incorporate the city's history into the tourism promotion efforts, with 80% of respondents in favor of promoting tourism.

Cn Bartolomucci: Noted that he's hearing many people with favorable comments on Rayley's Fruit Bazaar and noted some negative feedback on sale of beer at

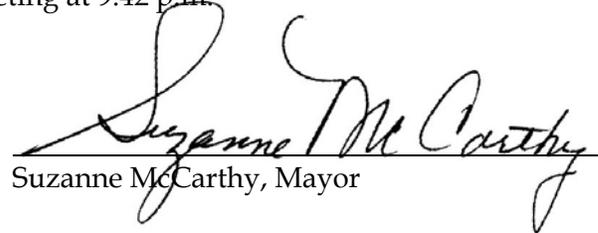
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Cn Foulk: Spoke about a disabled female bald eagle that was recently rescued near his home and taken to a bird sanctuary in Seattle. ODFW personnel will release some of the eagle's chicks near his home at a later date. Recommends adopting the blue heron as the city bird.

Mayor McCarthy: Noted that the plans for Garibaldi Days are progressing well and that it's shaping up to be a good event.

XI. ADJOURNMENT

Mayor McCarthy adjourned the meeting at 9:42 p.m.


Suzanne McCarthy, Mayor

ATTEST:


John O'Leary, City Manager