



CITY COUNCIL MEETING MINUTES ~ APPROVED

JULY 28, 2021 AT 6:00 PM

City Hall ~ 82877 Spruce St., Westlake, OR

These proceedings of the Dunes City Council were recorded and are on file at Dunes City Hall. Upon approval by the City Council, these minutes will be available online at www.DunesCity.com

1. CALL TO ORDER

Mayor Robert Forsythe called to order the Wednesday, July 28, 2021 meeting of the Dunes City City Council at 6:01p.m.

2. ROLL CALL

Roll Call was taken by City Administrator/Recorder Jamie Mills.

Present: Mayor Robert Forsythe, Council President Sheldon Meyer, Councilor Duke Wells, Councilor Rory Hammond, and Councilor Robert Orr.

Absent and Excused: Councilor Tom Mallen and Councilor Susan Snow.

Absent: N/A

Also Present: City Administrator/Recorder Jamie Mills, Planning Secretary Lani Noroña, citizens Bill Bryant, Dave Warrilow, Ron Shearer, and videographer Alan Campbell.

3. PLEDGE OF ALLEGIANCE

All who were present joined Mayor Forsythe in the Pledge of Allegiance.

4. APPROVAL OF THE AGENDA

Councilor Duke Wells made a motion to approve the Agenda.
Councilor Rory Hammond seconded the motion. The motion passed by unanimous vote.

5. APPROVAL OF THE CONSENT AGENDA

Councilor Duke Wells made a motion to approve the Consent Agenda.
Councilor Rory Hammond seconded the motion. The motion passed by unanimous vote.

6. ANNOUNCEMENTS / CORRESPONDENCE

City Administrator/Recorder Mills announced the following:

- A. Since COVID began, Dunes City has lost many of its past volunteers who served the City well. We have scheduled a Celebration of Life Event for these former Dunes City Officials and Volunteers, to be held Saturday, August 21st from noon to 3:00 p.m., at Dunes City Hall. Individuals of which we are aware include Lee Reichle, John Stead, Marilyn Miller, Suzie Navetta, Bob Chuzas, John Scott, Bob Petersdorf, and Judy Martin. If there are others we have missed, please call City Hall.
- B. City Administrator Mills also mentioned that anyone who receives the Siuslaw News may have seen a letter to the editor, regarding a report to the Sheriff's office where a Deputy told this person that there would be a \$50 fee to have someone come out and take a report. According to the Personal Services Representative at the Sheriff's office, this is not the situation, but the information could not be confirmed nor denied. Messages were left for the Sheriff, for Sgt. Wade, and for the Public Information Officer.
City Administrator/Recorder Mills is awaiting return phone calls with an answer.
Mayor Forsythe mentioned that in the past, reports to the Sheriff's office had to be made online. City Administrator/Recorder Mills stated that Sgt. Wade had informed her that the new Sheriff did not want to use online reporting and was going to discontinue it.

7. CITIZEN INPUT ON ITEMS NOT DISCUSSED IN PUBLIC HEARING

Maximum time 20 minutes: Speakers will be limited to three minutes. If the number wishing to testify exceeds seven speakers, each speaker's time may be reduced to fit within 20 minutes.

Citizen Bill Bryant stated: "we're here about the water."

Mayor Forsythe stated that water will be discussed later and continued to follow the Agenda.

8. PRESENTATIONS - None scheduled.

9. OLD BUSINESS - None scheduled.

10. PUBLIC HEARING(S) - None scheduled.

11. NEW BUSINESS

A. Request for Rate Increase by South Coast Water Company Letter in Opposition:

- 1. City Administrator/Recorder Mills reported that South Coast Water Company (SCWC), now owned by Puttman Investments, has filed with the P.U.C. for a rate increase. At the first hearing it was discovered that the rate increase was not properly noticed. The hearing was rescheduled to provide an opportunity for notifying everyone, and many people were notified but not everyone was notified.

2. Mayor Forsythe reported that Citizens Bill Bryant and Dave Warrilow had met last week with himself and City Administrator/Recorder Mills, to discuss the SCWC rate increase letter sent to residents.

Mayor Forsythe stated he had asked City Administrator/Recorder Mills to draft a letter, from the City to the P.U.C. He added that the SCWC is a private corporation, that the City has little business with them, other than issuing Permits and such, but felt it necessary to speak up about the City's displeasure with the way SCWC is dealing with this.

Mayor Forsythe then asked City Administrator/Recorder Mills about the draft letter from Dunes City to the P.U.C. and if she had discussed this draft with the City Attorneys. City Administrator/Recorder Mills reported that the City Attorneys advised her it is within Dunes City's duties to write a letter, the Attorneys would review a letter written by Dunes City staff, but because there did not appear to be a legal issue the City Attorneys would not write a letter to the P.U.C. for Dunes City.

3. Mayor Forsythe asked City Administrator/Recorder if SCWC draws water under a Dunes City permit and whether the permit could be pulled as a negotiation tool. City Administrator/Recorder Mills answered that the SCWC permit could only be pulled if there was wrongdoing by SCWC and added that if the permit was pulled those customers would not have any water.
4. Mayor Forsythe also suggested a meeting of SCWC Principals and the public. Council President Meyer agreed.
5. City Administrator Mills noted that the proposed increase exceeds the base rate limit a water service provider can charge. She added that almost all cities in surrounding areas don't charge more than \$29 and stated she will research OARs.
6. Mayor Forsythe asked Councilors if they approve City Administrator/Recorder Mills' draft letter from Dunes City to the P.U.C.

Councilor Hammond made a motion that City Administrator/Recorder Mills send the letter to the P.U.C. Council President Meyer seconded the motion and it passed by unanimous vote.

Mayor Forsythe then directed City Administrator/Recorder Mills to contact SCWC for a meeting with City Council. Councilor Wells requested that the proposed meeting be well advertised, so that all affected citizens have an opportunity to attend.

Mayor Forsythe asked if there was anything further on this topic.

Mr. Dave Warrilow asked the following questions:

- a. Was an Open House held on September 2020, as posted on SCWC website inviting Dunes City residents to attend?
Councilors answered that there was no September Open House, due to Coronavirus.
- b. According to a SCWC website map of proposed expansion, are residents aware of the amount or rate of expansion shown on that map?
City Administrator/Recorder Mills answered that SCWC missed a previously scheduled meeting, had a scheduling conflict with the next meeting date proposed and that Dunes City is awaiting a reply from SCWC.

- c. There are three (3) people identified in the P.U.C. Notice of Public Comment Hearing: Megan W. Decker, Chairperson; Letha Tawney, Commissioner; and Mark R. Thompson as Commissioner.
"I'm assuming that the people in your letter will make copies and provide that to them".
City Administrator/Recorder Mills will send those three individuals a copy of the Dunes City letter to the P.U.C.

- d. Mr. Warrilow mentioned the Public Hearing Zoom webinar link noted on the July 12, 2021 P.U.C. Notice. He asked the Council if the Community Center had access to that and suggested: "this might be a good place for people to come and share their thoughts with P.U.C."

City Administrator/Recorder Mills said it may work, dependent on internet service.

- e. Mr. Bill Bryant remarked that he knows of a neighbor who is very concerned about the proposed water rate increase. He stated the neighbor is on a fixed income, does not use internet, cannot afford internet service, and would benefit from a base rate of \$29.
- f. Dr. Ron Shearer stated that his well has gone from 16 to about 2 or 3 gal./minute, several of his neighbors are "dry" or have spent about \$14K to drill a well and found saltwater, and he expressed concerns about the future.

Mayor Forsythe and City Administrator/Recorder Mills answered that the well situation is a separate issue from the SCWC proposed rate increase.

City Administrator/Recorder Mills added that she had previously reported there is an area where wells are going dry, which involves Manzanita, Berry and Jensen Lane. She added that those areas where Mr. Puttman (SCWC) proposes to expand. She requested the Council schedule a meeting to address the well issues in this area.

- g. Councilor Hammond discussed the cost difference of people paying for well drilling vs. the SCWC proposed rate increase, which includes expansion of service. He said he is aware of someone who switched to SCWC service and was very happy with the service. He noted that SCWC is doing good things, but the backlash is the price tag, which is understandable. He added this is a serious problem that needs some goals and strategies set.
- h. Councilor Wells agreed with Councilor Hammond's statements, adding that he thinks Mr. Puttman's business has a right to be solvent and to improve, that it takes money to do so, but the proposed cost is "a little out there".
- i. Councilor Hammond noted there is not enough volume of customers for SCWC to bring down the price and then questioned how the cost is passed on to new customers.
- j. City Administrator/Recorder Mills mentioned that Dunes City has the ability to offer a very low interest loan to SCWC, but Mr. Puttman may not have explored that option because he has not had a discussion with the City.
- k. Mr. Bryant stated he appreciates having water service, but that he cannot drink it because the quality varies from a taste of chlorine to a taste of a fishpond. He added he buys drinking water but if SCWC quality is not reliable the cost is unacceptable.

B. Letter to water right users regarding information required for Certification

1. City Administrator/Recorder Mills informed the Council that she had arranged for a diver from the Eugene Dive Club, who asks only that Dunes City to provide him with a boat, pay for the oxygen and can start the coming weekend. The diver estimates he can do about 30 dives per day and it's possible to complete more than 30, as the locations are close together. City Administrator/Recorder Mills gave a brief description of fish screen requirements, reported that a boat is arranged for the diver and stated that Dunes City is trying to make the process as simple and cost effective as possible.
2. Mr. Warrilow asked the Council if he could give one more example of the cost of water. He mentioned a relative's property on Huckleberry Lane, who spent \$3K for a system to make the water safe. If \$3K is amortized over ten years, that is \$300/year and Mr. Warrilow thinks that an additional \$100/year is paid to Dunes City, for water. He added that there are many different avenues of getting water and what people are looking for is water at a reasonable cost because water is not an elective but is essential to life. Councilors agreed that water is essential and noted that it sounds as if there is a quality issue with water from SCWC.

C. Biennial Budget

Councilor Hammond asked if Dunes City can qualify for a Biennial Budget. City Administrator/Recorder answered that it has not yet been researched.

Councilor Hammond read the following:

One of the consequences of governmental budget process is setting tax rates. The theory is the Organization sets a budget and based on the budget the County Assessor computes a tax rate to satisfy the proposed budget. The computed rate is based on assessed value. My view is that governmental budgets should be based on needs and goals that provide specific services a community needs to thrive. Roads, Water, Sewage, Parks, Fire and Police protection comes immediately to mind. The governmental budget processes are driven by professional Administrators, not by our elected Officials. The budget process often becomes an exercise on how to spend the money, rather than a real effort to reduce costs and still satisfy the services we need. Dunes City is unique, in that we don't have a tax base, so our budget is not used to set property tax rates. The services we provide come directly from well-defined revenue sources. If Dunes City doesn't spend the money, citizens don't get a refund. For me, it's very important that we stretch every revenue dollar and spend it in the best possible way. I think we all agree that's one of our jobs. This Council meets 12 times a year for general business. We also meet another half dozen times to review the budget. Most of the Budget Committee's time is used to review and understand the previous budget, in which we then agree, for the next budget year, to spend similar amounts. The Budget documents that we use are to satisfy State reporting requirements and for the county tax assessor to set tax rates. For me, I think it is a waste of time spending a half dozen meetings to approve similar amounts and filing a document that the County Assessor doesn't need and the State only needs every two years

Councilor Bob Orr joined the meeting at 6:32 p.m.

C. Biennial Budget - continued:

Councilor Hammond proposed that Dunes City have a Biennial Budget, keeping records for two fiscal years. He added that the City Council and Budget Committee should set long-term strategic goals and demand that the budget results reflect those goals. He opined that this will be a more productive use of meeting time, as opposed to simply reviewing expenditures.

He added that he'd like to see the following items scheduled:

A computer replacement schedule, the Dunes City Maintenance schedule, a "Promote Tourism Goals and Plan", and stated we need to have long-term water and sewage in Goals. He added that the current budget process is being used as an audit function, which he sees as lots of work for very little return.

City Administrator/Recorder Mills stated that the City of Florence uses a Biennial Budget. She added that unexpected events and Grant revenue are not predictable.

12. EXECUTIVE SESSION -None scheduled.

13. REPORTS

A: Mayor's Report:

Mayor Forsythe updated Councilor Mallen about earlier/missed meeting discussion.

B: Community Center Report:

Councilor Wells had nothing to report but asked about the wood-burning stove which was a new piece of Community Center equipment. City Administrator/Recorder Mills stated the stove was donated by the Dodsons.

C: Water Quality Report:

No report, as Councilor Susan Snow was absent.

D: Emergency Services Report:

City Administrator Mills directed Councilors' attention to the copy of the WLEOG meeting packet and reported the following:

1. Four bears in the Boy Scout Camp area, which has been reported to ODFW.
2. A drive-through vaccination clinic is scheduled at the Middle School every three weeks and information will be in the Siuslaw News.
3. Lane County Public Health reports that 97-98% of Coronavirus deaths in Lane County are of people who are not vaccinated.
4. Dunes City should receive new tsunami maps in the near future.

E: City Administrator/Recorder/Planning/Staff Report:

City Administrator Mills reported the following:

1. Between June 16th and the 21st there were 12 Permits issued:
1 new home build (SMP), 1 Structural, 4 Electrical and 4 Mechanical.
2. The city continues to get complaints about activities of short-term rental tenants.
3. The City continues to get complaints about streets that need brushing and trimming.
We are happy to welcome back Richard Palmer to assist with that effort.
4. The hillside on Alder Drive collapsed and Richard Palmer cleaned it up.
At residents' request, Dunes City has ordered a "Blind Curve Ahead/Slow Down" sign and a "10 m.p.h." speed sign.
The Cloud Nine sign is ordered.
Installation continues of "No Water Access" and "No Turn Around" signs on City roads.
The Parkway Drive project has gone out for bid.
5. Oregon Water Services is liable for repair of the hole on Osprey Way.
Since waiting for Ray Wells, Inc. to be available for the repair, they have received names of other companies to contact for completing the work.
6. The office has been inundated with calls regarding the SCWC proposed water rate increase and letter the City sent about information needed to certify the City's permit.
7. Septic letters continue to be sent in a timely manner and residents are, for the most part, co-operating.
8. There is evidence of the presence of the bacteria that cause blue green algae blooms in Siltcoos Lake, although there appears to be little evidence of heavy concentration. Residents who draw water from Siltcoos Lake should carefully examine the area of the water where their intake is, to ensure no bloom is obviously present, before drinking the water. To be safe, of course, bottled or other drinking water sources should be used.
9. Reports of someone clearing trees that are owned by other property owners. Before calling to complain, please have your property surveyed to show where your property lines really are, as little can be done without knowing that information.
10. The City received the draft Wetlands delineation map for the Rebecca's Trail properties. During discussion, the 1992 Court Order was mentioned. The City Engineer asked to see it, to verify if it changes anything - because it might.
11. The City was informed that the individuals who were going to purchase the Montgomery View Estates property are no longer considering purchasing the property.
Mr. Montgomery provided staff a redrawn map but did not indicate what to do with it.
A copy was given to the City Engineer for review.
12. The City submitted its request for the \$1,000 Grant Young Memorial Planning Assistance Grant and the necessary information to receive the first installment of American Rescue Act funds: \$312,118, paid in two installments of \$156,059 each.

14. FOR THE GOOD OF THE ORDER

- a. Councilor Wells stated on a personal note:
"I feel like I've been lied to, I think a lot of us in this country feel that way, and with Covid and the CDC now, I've been fully vaccinated, I have a CDC card and I'm not wearing a mask again."
- b. Council President Meyer asked Councilor Orr to sign the letter from Dunes City to the P.U.C.

15. ADJOURNMENT

Councilor Duke Wells made a motion to adjourn.

Councilor Rory Hammond seconded the motion and the motion passed by unanimous vote.

Mayor Forsythe adjourned the meeting at 7:07 p.m.

APPROVED BY THE DUNES CITY COUNCIL ON THE 26th DAY OF AUGUST, 2021.

[Signed copy available at City Hall]
Robert Forsythe, Mayor

ATTEST:

[Signed copy available at City Hall]
Jamie Mills, City Administrator/Recorder