

CITY OF GEARHART  
Regular Meeting of the City Council  
Wednesday, January 8, 2025  
7:00 pm On-site and Virtual/Telephonic

A regular meeting of the Gearhart City Council was held Wednesday, January 8, 2025. Council members, City staff, and the public were able to attend on-site, virtually, or by dialing in on a telephone.

Present were Mayor Kerry Smith, Councilor Paulina Cockrum, Councilor Preston Devereaux, Councilor Dana Gould, Councilor Sharon Kloefer, City Administrator Chad Sweet, City Attorney Peter Watts, Police Chief Josh Gregory, Division Chief of Training & Operations Park, Executive Assistant Krysti Ficker, and City Treasurer Justine Hill. A quorum of the Council was present.

Mayor Smith transitioned into the regular meeting of the City Council at 7:07 pm after the worksession concluded. Mayor Smith read a statement about his nephew's experience with wildfires in California. He praised first responders and thanked them for their dedication. He stressed that all first responders deserve our support. He transitioned to recommending Councilor Gould for the appointment of Council President. He felt her experience in law enforcement, as a City Councilor, and as a first responder best qualified her for the position. He thinks she is intelligent, hardworking, well-spoken, knowledgeable, experienced, and would take the job seriously in an ethical and unbiased way. He opened the floor for other nominations.

- ON MOTION by Councilor Devereaux, 2nd by Councilor Kloefer to approve the appointment of Councilor Cockrum for the position of Council President, MOTION was approved 4 yeas (Devereaux, Gould, Kloefer, Smith) - 0 nays - 1 abstain (Cockrum).
- Councilor Kloefer spoke on her endorsement of Councilor Cockrum. She feels that Councilor Cockrum is qualified due to having previous experience as the Mayor of Gearhart and being a member of the community for a long time. She feels Councilor Cockrum is very thoughtful, diligent, and measured in her decisions making. Councilor Kloefer explained that she agreed with everything Mayor Smith said about Councilor Gould and feels her knowledge is invaluable.
- It was noted that the Council President position does require bank signatory responsibilities for the City of Gearhart (*Umpqua Bank*).

There were no conflicts of interest declared by any member of the Council.

Approve Minutes.

- ON MOTION by Councilor Cockrum, 2nd by Councilor Kloepfer to approve the minutes of the December 4, 2024 regular meeting of the City Council, MOTION was approved 5 yeas (Cockrum, Devereaux, Gould, Kloepfer, Smith) - 0 nays.

It was noted that the Planning Commission minutes were not in the distributed copy of the Councilors' packets; however, they were distributed at the meeting and posted online. Councilor Kloepfer noted that because she had just received them, she had not had time to review.

Mayor's Report. Mayor Smith noted another Public Safety Committee Community Meeting. Administrator Sweet mentioned it would be January 14, 2025 at 6:00 pm. He briefly went over the agenda items of that meeting, which included a public engagement activity.

Councilor Reports.

- Councilor Devereaux felt that the next Public Safety Committee Community Meeting was the most important for people to attend. Information on structural and geotechnical data will be shared, which represents a critical cost component. He mentioned that there are a lot of numbers being thrown around in the community and he stressed that factual data would be shared at the meeting. He feels that the City has assembled a good team for the project. He also mentioned that evaluations for other projects on the Coast would be shared (e.g., costs, challenges).
- Councilor Cockrum inquired about potential space limitations at the current fire station for hosting the Public Safety Committee Community Meetings and Administrator Sweet indicated that there has not yet been an issue; however, they will continue to monitor. She also met with Administrator Sweet and established biweekly meetings to increase her awareness of his priorities for the City. She also met with Treasurer Hill to go over information referenced in the annual City audit performed by Accuity, which included understanding more of the internal financial controls (e.g., cross checks, check review process). She noted that the Community Emergency Response Team (CERT) did not meet. Councilor Cockrum also mentioned that she has been dealing with storm damage on her property.
- Councilor Kloepfer attended another meeting organized by Clatsop County to continue discussing updates to their Comprehensive Plan Goals 16, 17, & 18. One interesting thing she learned was that they are trying to rewrite and adopt those goals to address climate change impacts. One impact discussed was inland wetland migration. She has met with Administrator Sweet about business information for the City's website. She is using a template from Richland,

WA and hopes to create a resource for new businesses. Councilor Kloepfer has had numerous conversations with residents about elk incidents in Gearhart and the new tree ordinance.

- Councilor Gould has signed up to attend the League of Oregon Cities (LOC) Day at the Capitol; however, she will be unable to attend the next LOC small Cities meeting in Scappoose on February 7th. She encouraged someone to attend. She attended a planning meeting for the next Public Safety Committee Community Meeting. Regarding some misinformation on social media, she wanted to mention a few things about the project. She said that no budget has been established. She reiterated that there are currently no financial numbers, which means that there is no basis for any calculations. She mentioned that they are all taxpayers and do not want to spend any more than is needed. She stressed that there is no desire to create a regional training center and that firefighters are currently using a break room as a classroom and debriefing area. Councilor Gould also talked about the feasibility of remodeling the current 1958 fire station, which she feels is not really a viable financial option due to the extensive upgrades to remodel and renovate. She feels the current facility is not large enough to sustain modern fire standards.

#### City Officer Reports.

- Chief of Police. Police Chief Gregory mentioned the statistical data was not yet available but, gave a year-end statistical comparison to previous years. He noted that there has been a substantial increase in log entries and action items, which does not include the support calls made by the Clatsop County Sheriff's officers. He mentioned that the City's three officers are doing the work of many. Police Chief Gregory also advised that the Gearhart police department does patrol evenings and early hour mornings.
- Fire Chief. Division Chief of Training & Operations Park went over the fire department's statistical data. She gave a brief comparison between Gearhart's and Cannon Beach's fire departments. While both departments have similar call numbers, Cannon Beach has 12 paid staff, while Gearhart only has two. She explained that Gearhart fire did not participate in the California conflagration mobilization. She also reinforced Councilor Gould's comment on the misnomer of creating a regional training center. She believes this rumor may have gotten started by an article published about Gearhart receiving a mannequin grant. The mannequins are housed with the Gearhart fire department office, but shared with Clatsop County.
- City Treasurer. Treasurer Hill talked about noteworthy revenues in 10-0027 grants, which was a second round of American Rescue Plan (ARPA) funding for fire agencies approved by the Clatsop County Board of Commissioners; as well as revenue in 10-0065 conflag/mobilization. She noted that in expenditures, there was a payment in 10-1360 to Gearhart Volunteer Fire Department for the firefighters quarterly gas and clothing reimbursement. Also in fire,

payments to satisfy the ARPA Clatsop County allocations were made, which included the purchase of new equipment and uniforms. There were also grant purchases in the Water Reserve 71-7190, which included the purchase of a generator, static mixer, hydrants, and water infrastructure supplies/materials. She mentioned that all funds for the ARPA have been paid or obligated by the December 31 deadline. There were increased expenditures in 79-7900 Public Safety Facility Project, which included additional payments for geotechnical work and architectural support services. Treasurer Hill also went over the recent credit rating conducted by Standard and Poor's (S&P) due to a new set of ratings criteria. She explained that the rating describes the general creditworthiness of a city that issues debt. She went over the credit highlights listed in the reports, which were: 1) S&P Global Ratings lowering its long-term rating and underlying rating (SPUR) on Gearhart's general obligation (GO) debt one notch to 'A' from 'A+' and removed it from under criteria observation; 2) the outlook is stable; and 3) the rating action reflects the application of its criteria, "Methodology For Rating U.S. Governments," published September 9, 2024, on RatingsDirect, specifically the City's nominally thin reserves and smaller economy relative to higher-rated peers. Treasurer Hill talked about the increased difficulty for the City to maintain a targeted 10% general fund ending fund balance, while trying to support transfers to reserve funds. She noted that increasing reserve funds in a small, rural community can be difficult because of limited revenue sources.

- City Attorney. Attorney Watts continues to engage with Portland State University (PSU) on population estimates. He said one area that PSU is pushing back on is Gearhart's vacancy rate, which refers to the percentage of housing units that are not currently occupied. He will continue to work with Gearhart staff to gather evidence that demonstrates increased population growth. The City is also continuing work on the buildable lands inventory and a housing needs analysis. Attorney Watts has received some calls about dune vegetation. He noted that the entity that issues permits for mowing the dune areas along the beach is the Oregon Parks Department. Councilor Kloepfer asked if the City was still planning on being in court due to a local legal issue and Attorney Watts is hopeful that something can be worked out. Mayor Smith asked about record retention related to City business. Attorney Watts recommended that information be given to City staff to review for the required Oregon records retention period.
- City Administrator. Administrator Sweet's report was sent to the Councilors in their packets. He talked about the FEMA flood zones, which the Planning Commission is currently working on. He mentioned that the Planning Commission will likely be talking about a potential C-1 zone swap. Administrator Sweet mentioned that the last few storms created microbursts that did cause a lot of tree damage, which the City is still trying to clean up. City staff did an excellent job working together. Public works has been experiencing some unexpected maintenance issues

and have had ARPA funds to assist with some of the repairs. Administrator Sweet noted he has received the first tree permit application since the new tree ordinance. He feels the S&P rating is still in a good range and hopefully will not negatively impact any future general obligations bonds. He talked about the tax rates in Gearhart and the savings when one of the water general obligation bonds expires in March 2025. Councilor Kloepfer inquired about the portable speed trailer and Administrator Sweet indicated it would be put back into action.

Visitors. Kori Sarrett, CPA at Accuity, LLC was available for questions regarding the June 30, 2024 fiscal audit. She was glad to hear discussion on the ending fund balance during the Treasurer's report because it does give a good indication of the ability for cities to meet their financial obligations. She said that auditors like to see the equivalent of six full months of operations carried in the general fund ending fund balance. She also said that watching the ending fund balance in the utility fund is important, which Gearhart significantly increased last year. Kori Sarrett reported that Gearhart had no operational non-compliance issues (e.g., budget, procurement). She also said that Gearhart had no audit adjustments. She indicated that information was accurate and that there were processes in place for reconciliations across departments/software.

Public Communications - Written & Oral. Mayor Smith read the oral public comment statement on the agenda. There was written correspondence submitted by Deanna Mancill (1/2/2025 Turner Weeping Willow/Railroad Right of Way); Stewart Schulz (Dunes Vegetation); Alexis Everhart (Garbage Can/Dog Wash); Angela Sidlo (Trees Cut Necoxie Creek); Deanna Mancill (1/7/2025 Turner Weeping Willow/Railroad Right of Way); and Tim Mancill (Ordinance 930 Contractor Work Hours Concerns).

- Deanna Mancill (2945 Hwy 101 N) supplied additional information to the City because she felt that Clatsop County prematurely awarded an easement agreement with the DEQ for the Turner property's septic system. She included in the information some surveys that show a problem with the Turner's property line. She understands working through boundary issues with your neighbors; however, she felt that the Turner's did not represent accurate information to the Tax Assessor's office. Deanna Mancill submitted the information because she feels that it demonstrates the City of Gearhart could assist in resolution.
  - Councilor Gould inquired to Attorney Watts regarding the jurisdictional obligation of the City of Gearhart in regards to Deanna Mancill's issues. Attorney Watts explained that lot line adjustment generally has Statewide applicable rules; however, each County can have the ability to implement its own code scheme. When a property owner applies for a lot line adjustment, Clatsop County looks at underlying zoning, provides notice to property owners in the impacted area, provides an objection period, and then finalizes

the decision. If there is a dispute between property owners over structures on property lines, it may be adverse possession, which would be a private dispute. If the County errors, the County would need to review the issue and be the responsible party to do something about it. The City can write a letter, which would put the burden to respond on the property owner. There was continued discussion. Attorney Watts reviewed current and prior schemes for dealing with the lot line adjustments. He said that the lot line adjustment change was done as a ministerial decision by the County and based on the prior scheme when it was approved, there is no involvement by the City of Gearhart. The City could send a letter regarding the weeping willow. Attorney Watts recommended looking at the Clatsop County's website and contacting the staff member that they have listed.

#### Ordinances/Resolutions.

2nd Read: Ordinance 945 - An Ordinance Implementing Cost Recovery Services in the City of Gearhart. Mayor Smith introduced the item and opened the discussion. Councilor Kloepfer requested clarification on a statement in Section 2, m. Non-Life, Health, Safety Fees (page 5) regarding a charge if a tree falls into the street. Division Chief of Training & Operations Park indicated that it would depend on the circumstances, but trees falling into the street would probably not be something that would be charged for by the fire department. Upon Mayor Smith's request, Administrator Sweet read the title.

- ON MOTION by Councilor Kloepfer, 2nd by Councilor Devereaux to approve Ordinance 945 - An Ordinance Implementing Cost Recovery Services in the City of Gearhart by title only, MOTION was approved 5 yeas (Cockrum, Devereaux, Gould, Kloepfer, Smith) - 0 nays.

Old Business. None.

New Business. Mayor Smith invited the public to comment on the new business items.

Audit Compliance. Mayor Smith introduced the item. Treasurer Hill explained that the City's auditors did note an area of improvement in the audit. This improvement deals with the organizational structure. She explained that the City has very limited staff, which makes segregation of duties difficult; however, staff have diligently tried to put internal controls into place to assist with compliance. The auditors provided a template that the City was able to customize to meet the Oregon Secretary of State's compliance requirements.

- By consensus, the City Council approved the Plan of Action for City of Gearhart Municipality - 5 yeas (Cockrum, Devereaux, Gould, Kloefer, Smith) - 0 nays.

Submission of Water Investment Needs Assessment to Legislative Water Caucus. Mayor Smith introduced the item. Administrator Sweet explained that the Legislature asked cities to prioritize water infrastructure needs. He explained that Public Works Director McFadden and City staff took needs from Gearhart's Water Master Plan; evaluated, prioritized, and entered them in the State's need assessment request form. He provided a supplementary document titled "Gearhart Water Investment Needs Assessment Prioritization" that presented the assessment data in a one page format. He noted that the new filtration skid unit was a new addition. He explained that with Council consensus, the information presented would be submitted to the Legislative Water Caucus. There was some discussion.

- By consensus, the City Council approved the Submission of Water Investment Needs Assessment to Legislative Water Caucus - 5 yeas (Cockrum, Devereaux, Gould, Kloefer, Smith) - 0 nays.

#### Council Concerns.

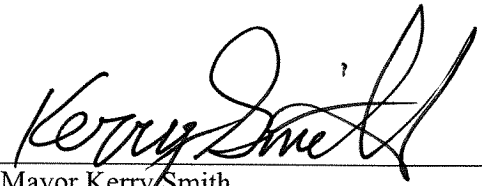
- Councilor Gould addressed two items. First, she wanted to make it clear that the City of Gearhart has no plans to switch from a volunteer fire department to a fully paid fire department. She said that the California fires and comments by the Division Chief regarding having out-of-district fire volunteers staying at her personal residence are reasons why putting bunks in a new station are being discussed. Second, she wanted to address Tim Mancill's letter submitted regarding the noise ordinance. She feels he has some valid points and recommends reviewing other options to control noise, which would allow "quiet" projects to be completed during restricted times.
- Councilor Kloefer wanted to comment on Stewart Schulz's insights on the dune vegetation. Her interpretation of the City's approval on mowing in the dunes area is a means to control the Scotch Broom, not to eradicate it. She feels that if Gearhart citizens want to eradicate it, a more robust process will need to be implemented.
- Councilor Cockrum requested an update on the bench program. Administrator Sweet said the program has not gotten very far since the last update. He talked with the Oregon Department of Parks and Recreation before the holidays and needs to follow-up on the requirements needed to move currently placed benches in the dunes. In terms of the local benches placed around town, he has bench and concrete quotes. He hopes to have the process completed in about two months. Councilor Cockrum reflected back on the playground equipment project and the

variety of contributions that came from public support (e.g., donations, fundraisers, City contributions, in-kind donations) and would like to see that type of support for the Public Safety Building project. Administrator Sweet talked about this type of support and mentioned that any donations would be tax deductible.

- Councilor Devereaux feels that citizen participation is essential. He said that there is a group of people that are opposed to anything that the City Council does, and he stressed the need for residents to come to the next Public Safety Community Meeting. He also encouraged Councilors to go talk with their neighbors.

Adjournment.

- ON MOTION by Councilor Kloepfer, 2nd by Councilor Cockrum to adjourn the meeting, MOTION was approved 5 yeas (Cockrum, Devereaux, Gould, Kloepfer, Smith) - 0 nays. Mayor Smith adjourned the regular Council meeting at 8:49 pm.



Mayor Kerry Smith



Chad Sweet, City Administrator