

CITY OF GEARHART
Regular Meeting of the City Council
Thursday, May 6, 2021
5:00 pm Virtual via Go-To-Meeting

The regular meeting of the Gearhart City Council was held Wednesday, May 5, 2021, online via Go-To-Meeting, using an accessible electronic device. Individuals could also join the meeting by dialing in on a landline telephone.

Mayor Cockrum called the meeting to order at 5:00 pm. Present were Mayor Paulina Cockrum, Councilor Reita Fackerell, Councilor Dan Jesse, Councilor Kerry Smith, Councilor Brent Warren, Budget Committee Member Bob Shortman, Budget Committee Member Chris Gluck, City Administrator Chad Sweet, and City Treasurer Justine Hill. Budget Committee Member Al Carter was absent. A quorum of the Budget Committee was present.

Mayor Cockrum opened the meeting and stated it was a Public Hearing. She requested nominations for the Chair of the Budget Committee.

ON MOTION by Councilor Warren, 2nd by Councilor Fackerell to nominate and approve Councilor Smith as Chairman of the Budget Committee, MOTION was approved 7-0.

City Administrator Sweet clarified that Treasurer Justine Hill could serve as Secretary if the Budget Committee should so choose.

ON MOTION by Budget Committee Member Shortman, 2nd by Budget Committee Member Gluck to nominate and approve the City Treasurer as Secretary of the Budget Committee, MOTION was approved 7-0.

Budget Chair/Councilor Smith opened the public hearing for possible uses for State Revenue Sharing. City Administrator Sweet gave a summary of the State Revenue Sharing program and explained that revenue is around \$20,000 a year, which is over the amount the Committee has been approving each year. Revenue Sharing Program has had carry over to balance revenues and expenditures. A grant information request sheet was presented in the Budget packet. There was discussion about voting members on the Budget Committee having potential conflicts of interest due to participation in programs that submitted applications to the State Revenue Sharing program. Budget Chair/Councilor Smith explained ethics and

stated that if no financial gain was to come to the voting members and they declared their relationships with the organization before the vote, they could vote. Councilor Fackerell declared that she would probably recuse herself during the State Revenue Sharing program section.

Budget Chair/Councilor Smith asked if any visitors for the State Revenue Sharing program would like to speak.

- Trail's End Art Association & Gallery, Kitty (Kathleen) Piano, President of the Association, explained their request was for replacing the roof on their building. She explained COVID impacts and the reduced fundraising revenues. Councilor Warren asked if they had approached other groups for funds to assist and Kitty explained that they had received some donations. Budget Committee Member Gluck asked how the money would be used to benefit Gearhart residents. Funds would directly benefit Gearhart community because the organization operates in the City.
- Seaside Hall "The Little Yellow House", Norm Brown, Fundraising Chair, explained the request was for partial paving of a gravel parking lot to provide dedicated handicapped parking spaces for those attending meetings. He discussed COVID impacts and the reduced revenues. He explained that there is no 12 step program in Gearhart but many Gearhart residents benefit from attending meetings at the Little Yellow House because everyone is welcome. John Carter also spoke about Seaside Hall. He wanted to express his support for the program. He reiterated the impacts of COVID and the need for more accessibility for their members. There was discussion on the location of the building, why the owner of the building was not contributing to the renovations and the need for recovery programs in the area. It was clarified that the group gets a favorable rental and that is considered the contribution provided by the owners of the building.
- Sunset Empire Parks and Recreation District (SEPRD), Darren Gooch, Director of Operations, explained he was representing two requests. The first was SEPRD Foundation, which supports scholarships for programs such as emergency childcare, swim lessons, summer camps, art programs and more. He indicated that 8 or 9 Gearhart residents have benefited from this program. He discussed COVID impacts and the reduced revenues. The second was South County Food Bank (SCCFB) which is a food pantry serving residents in South Clatsop County and is part of the regional food bank system. The funds would go to purchase the food needed to continue serving their clients. He expressed concern over the future needs of food for residents because the double food stamps program is set to expire in September. Councilor Fackerell asked for clarification regarding the SEPRD scholarship request. It was clarified that the program was to support only SEPRD programs, not other outside educational opportunities. Budget Committee Member Gluck asked what percentage of the grant went to purchase food versus

organizational costs and Mr. Gooch clarified that 100% went to food. It was also clarified that there were scholarships for the SEPRD program that were not specifically earmarked for Gearhart residents but for any in need that apply. Mr. Gooch also clarified that he felt Gearhart residents were being served.

- The Harbor, Ellen Long, Grants Manager explained that the funds were needed to support the increased incidents of domestic sexual violence through the county. She discussed COVID impacts and the reduced revenues. She talked about their program and goals and explained it is a county-wide program that supports all communities. Due to confidentiality, she was unable to give specific statistics for services given to Gearhart residents. She stressed all services are provided at no charge to the individuals/families they serve. Councilor Fackerell asked about the Harbor's overall funding. Ms. Ellen talked about funding. She said that the majority of their revenue comes from State and Federal support but they also get funds from health organizations, fundraisers and donations. Councilor Fackerell also commented on the lack of financials provided this year and last year. Ms. Long was apologetic and stressed this was not the intention. She would make sure that the information was sent to the City for the Budget Committee's review.

Budget Chair/Councilor Smith closed the Public Hearing for possible uses for State Revenue Sharing.

City Administrator Sweet presented the Budget Message. He explained it would be posted for review.

Councilor Warren explained there was a new participant to the meeting. A State Revenue Sharing program applicant joined the meeting and explained he would like to speak but thought the meeting started at 7:00 pm. Budget Chair/Councilor Smith explained the public meeting had been closed but if the Budget Committee agreed the organization could speak. All agreed he could speak.

A request to temporarily close the public hearing for three minutes was requested. Committee voted 7-0 to close the meeting at 6:52 pm for a three minute break.

Budget Chair/Councilor Smith opened the meeting at 6:55 pm and allowed the State Revenue Sharing organization to speak.

- St. Vincent de Paul-Our Lady of Victory Conference (SVdP), George Marenia, SVdP President explained that the request was to provide food and financial assistance to clients including those who live in Gearhart and surrounding areas. He discussed the food stamp stimulus program

expiring and the fear of having enough resources to accommodate local families. There were no further questions.

Budget Chair/Councilor Smith called the meeting back to the budget document and turned the meeting over to City Administrator Sweet to continue the budget discussions. City Administrator Sweet explained that he would be giving a synopsis of the entire budget.

City Administrator Sweet discussed General Fund Resources (page 1-2). Revenues are stable with some growth. New line item (6) has been added American Rescue Plan of \$230,000 but will also be throughout the budget in other program areas. Gearhart Rural Fire Department was also increased. City of Gearhart Fire department provides emergency services and receives revenue as compensation. Building Permits, Transient Room Tax and Firefighting Revenue Wildland Conflag were discussed. Budget Committee Member Gluck brought up long-term forecast for buildable land and the thought process of what will be the leverage point when the City has to start worrying about revenue associated to this area. City Administrator Sweet talked about a 20 year look forward, building lands revenue, diminishing lands and the process on buildinable lands. Councilor Fackerell asked about County Land Sales. It was explained that this was a placeholder so that the line item was not eliminated from the budget. Councilor Warren asked about the revenue correlation between plumbing and building permits. Councilor Jesse talked clarified the different calculations between the types of permits (square footage versus number of fixtures). Mayor Cockrum asked about Transient Room Tax occupancy numbers. City Administrator Sweet clarified revenue is increased and that there is no breakdown on occupancy per location. There was discussion on the surprise increase of Transient Room Tax during COVID.

General Fund - Administrative (page 3-4). Clarification was requested on personnel (City Treasurer/Administrative Assistant) and election expenses (potential fire station).

General Fund - Building Department (page 5). Adjustment made on line 10, Plumbing Inspector. Amount reduced by \$5,000 and moved to General Fund - Police new line item Community Care.

General Fund - Police (page 6-7). Insertion of line 28, Community Care was added with \$5,000 moved from Building Department line 10. Statement on overtime pay and how it is the most fiscally responsible way to take care of extra time needed due to limited staffing.

General Fund - Fire Department (page 8-9). Discussion on fire chief salary and line 11 Conflagration Labor. It was explained that line 11 are revenues that the City is eligible for when a state of emergency is

declared. Revenue source is appropriated by the State for local fire department staff that respond to these declared emergencies. Both personnel costs and equipment reimbursement can be requested.

General Fund - Non-Departmental (page 10). Increase on line 15 Fire Apparatus & Equipment Reserve Fund. Comment on line 18 Building Reserve Fund.

General Fund - Court (page 11). No significant changes.

General Fund - Planning (page 12). Discussion on line 13 Planning Consultants and line 18 Land Use Attorney. There was additional discussion on the planning consultants job responsibilities, services and tasks. Discussion on contractor services versus staff employees. City Administrator Sweet clarified the current planning consultant does work for other organizations besides the City of Gearhart.

General Fund - Parks (page 13). Discussion on Materials & Supplies section and increases. Budget Chair/Councilor Smith requested clarification on bathroom cleaning schedule and clarification on if this service was provided by a subcontractor. City Administrator Sweet clarified that with increased usage, restroom cleaning has to be done more frequently and that it is actually a cost savings for the City to subcontract restroom cleaning services. Mayor Cockrum stated that the Parks Committee had discussed restrooms and that perhaps exploration could be done on placing a port-a-potty at the 10th street access.

General Fund - Summary (page 14-15). City Administrator Sweet explained this was a summary of the general fund pages. It was clarified that the budget did not represent any added personnel.

Debt Service Fund (page 16). City Administrator Sweet explained this was debt service funds are used to budget for the payment of principal and interest on all long-term debt. The City currently has principal and interest for debt financed in 2011 and 2015. It was also clarified that this budget does not reflect any potential refinance of debt.

There was discussion on the format of the budget document and the potential review of how the information is presented.

Special Fund - Water Improvement Construction Fund (page 17). No significant changes.

Special Fund - Water Fund (page 18-20). City Administrator Sweet reminded the Committee about the added American Rescue Plan. There was discussion on line 27 Chemical Water Analysis and clarification

on line 50 Water Meter Replacement. It was explained that funds were moved to the Water Fund from Construction Fund due to funding; there are limits on water rights; and agreements with Warrenton water district.

Special Fund - State Revenue Sharing (pg 21-23). There was lengthy discussion on the State Revenue Sharing program. It was explained that these revenues are limited and that if the Budget Committee continues to allocate all resources, there will eventually be restricted amounts of grant awards. Budget Chair/Councilor Smith requested that the Budget Committee start allocating grant funds. There was discussion on the most effective way to do this and how much to allocate. Councilor Fackerell stated she had a conflict of interest and recused herself from the actual voting of allocations. Budget Committee Gluck felt very strongly that the organizations requesting funds should directly benefit the City of Gearhart residents. Allocations were as listed below; however, the Budget Committee strongly felt that the application process and requirements should be reviewed and revised to more accurately reflect the intent of the grant awards. Application revisions such as required presentations, direct benefits to the community and submitting required documents were all areas to review.

- Audit was removed from this area.
- CERT was removed from the grant award list because the Budget Committee felt that it should be funded with the fire department. Adjustment was made on line 20 Fire Department (decreased) and a revised line 31 Fire Department added to support this program within the General Fund.
- Trail's End Art Association & Gallery \$5,000
- Seaside Hall "The Little Yellow House" \$1,500
- Necanicum Watershed Council \$1,000
- CCA Regional Food Bank \$3,000
- Clatsop County Court Advocate Program \$3,000
- Helping Hands \$3,000
- St. Vincent de Paul-Our Lady of Victory Conference \$3,000
- The Harbor \$3,000
- Seaside Municipal Airport Advisory Committee \$500
- Seaside Scholarships \$500
- North Coast Food Web \$3,000
- Sunset Empire Parks & Recreation District \$500
- South County Food Bank \$3,000
- Mayor's Emergency Grant \$5,300

Special Fund - Gearhart Road District (page 24). City Administrator Sweet reminded the Committee about the added American Rescue Plan.

Special Fund - State Street Fund (page 25-26). Councilor Jesse requested clarification on line 17 Building Maintenance. City Administrator Sweet clarified that this was for all buildings within the City, not just the City Hall. There was discussion on the feasibility of a new stop light and the unlikelihood based on State requirements. The pros and cons of speed cameras were briefly mentioned.

Special Fund - Water Reserve Fund (page 27). No significant changes.

Special Fund - Police Car Reserve Fund (page 28). City Administrator Sweet indicated that the City will continue to accumulate funds in order to maintain an adequate vehicle replacement schedule. Mayor Cockrum referenced the exploration into electric vehicles.

Special Fund - Fire Apparatus & Equipment Reserve Fund (page 29). City Administrator Sweet discussed line 4 Transfer from other Funds - General Fund.

Special Fund - Hazard Mitigation Fund (page 30). No significant changes.

Special Fund - 9-1-1 Reserve Fund (page 31). No significant changes, after mandatory historical reporting, the fund will be eliminated.

Special Fund - Public Works Major Equipment Reserve Fund (page 32). There was discussion on line 4 Transfer from other Funds - Water Fund. City Administrator Sweet clarified this fund can be used to purchase necessary equipment. There was discussion.

Special Fund - Building Reserve Fund (page 33). City Administrator Sweet clarified the primary focus in this area will be on the exploration of the new fire station.

Supplemental Information (page 34-39). There was clarification and correction needed to page 39 (Fiscal Year Salaries 2021/2022). Salary calculation error on Gage McFadden. Correction on Justine Hill's line item. Discussion on City Administrator Sweet's salary. It was decided that City Administrator Sweet could have a three percent placeholder put in the budget for a salary increase. It will be at the discretion of the Council to implement and finalize. Because there were funds removed from the salary error on McFadden, the allocation difference had been moved to another program area.

Due to McFadden salary correction: line 1 in Parks Department (reduced); line 18 in Parks Department (increase); line 3 in Water Fund (reduced); line 16 Water Fund (increased); line 1 State Street Fund (reduced); line 13 State Street Fund (increased); which also impacted Supplemental page 34 Utility Worker and Fiscal Year Salaries pg 39. Due to the Sweet placeholder salary correction, line 1 in Administrative (increased); line 16 in Administrative (decreased); which also impacted Supplemental Fiscal Year Salaries pg 39.

Budget Chair/Councilor Smith addressed the visitors. They were asked if they wanted to make comments for/against a program or programs. There was no response.

Budget Chair/Councilor Smith asked the Budget Committee if they felt there was a need for another Budget Committee meeting on May 7, 2021. Hearing none, he requested that the Budget Committee move forward with adoption and adjournment.

A MOTION by Councilor Fackerell, 2nd by Councilor Jesse to approve the 2021-2022 City of Gearhart Budget with adjustments was made. Motion passed 7-0.

The May 6, 2021 Budget Committee meeting was adjourned at 8:22 pm.