

City of Brookings
CITY COUNCIL MEETING MINUTES
City Hall Council Chambers, 898 Elk Drive, Brookings, OR 97415
Monday, July 14, 2014

The City Council met in Executive Session at 6:30 PM in the City Manager's office under authority of ORS 192.660(2)(h), "to consult with counsel concerning the legal rights and duties of a public body with regard to current litigation or litigation likely to be filed," ORS 192.660 (2)(e), "to conduct deliberations with persons designated by the governing body to negotiate real property transactions," and ORS 192.660(2)(f), "to consider information or records that are exempt by law."

Call to Order

Mayor Hedenskog called the meeting to order at 7:02 PM.

Roll Call

Council present: Mayor Ron Hedenskog, Councilors Jake Pieper, Kelly McClain, Brent Hodges and Bill Hamilton; a quorum present.

Staff present: City Manager Gary Milliman, Finance & Human Resources Director Janell Howard, City Attorney Martha Rice and City Recorder Joyce Heffington.

Others Present: Curry Coastal Pilot Report Jane Stebbins and approximately 6 others.

Ceremonies/Appointments/Announcements

Mayor Hedenskog proclaimed July 14 - July 20, Southern Oregon Kite Festival Week and announced July Yard of the Month Awards as follows:

- Residential - Joyce & Dan Hannum, 1236 Collis Lane
- Commercial - Buck & Tracie Rosendahl, Woof's Dog Bakery

Scheduled Public Appearances

South Coast Development Council Director, Connie Stopher, introduced herself and announced that the SCDC will be realigning the scope of their mission to include Curry County.

Resolutions

Resolution directing the City Attorney to draft a ballot title for the May 19, 2015 election, enacting a fuel tax.

City Manager Milliman gave the staff report and said there was no way to estimate the amount of revenue that might be generated with a three cent fuel tax as the only information available is for bulk sales.

Mayor Hedenskog said residents were currently paying \$2.94 a month in Street System Replacement Fees (SSRF) and Councilor McClain said the City would need twice that amount to reach the goal of \$300,000 per year. Based on anecdotal data, McClain said, Fred Meyers was taking approximately two fuel truck loads per day during the summer and one load a day during the winter and probably pumped 50 to 60 percent of the fuel in Brookings. Using these figures, he said, he estimated Fred Meyers was pumping around 7.5 to 9 million gallons a year.

Mayor Hedenskog said 7.3 million gallons a year at three cents a gallon would generate approximately \$219,000; at four cents it would generate \$292,000. He then said there were three variables that needed to be worked through to finalize the resolution.

Councilor Pieper said he was ready to put forth a ballot measure with a three year sunset clause while the City figured out how much gas is really sold in Brookings. He said he thought the tax would need to be more than three cents.

Councilor Hodges said he thought it would be worth staff doing some "recon" to figure out how much gallonage was being sold. He said it was irresponsible to levy a tax without knowing how much revenue it would generate. He also said commercial vehicles are already paying taxes for roads and streets and he suggested they be exempted or taxed annually.

Councilor Hamilton said the math looks good but he questioned the sunset clause and thought it should be ongoing until it is voted out. He said he also was concerned about being able to reestablish the SSRF.

Mayor Hedenskog said he wanted to be sure they reached their goal in ten years and set the tax high enough to meet that goal.

Councilor McClain said the only way he would entertain a fuel tax is if it saved citizen's money. He said he agreed with Hodges that they needed to know how much fuel is sold and ten years is too long because they are guessing. He suggested a year or two years to see how much revenue it would generate and then go for a permanent rate.

Milliman said from an administrative perspective, vendors would have set-up expenses and he didn't want it to be too expensive. He recommended at least three years to spread out the expense and so they could understand the trends. He also said there was nothing in the resolution to automatically reenact the SSRF.

Mayor Hedenskog asked if you could exempt commercial vehicles and Director Howard said she didn't think you could and pointed out that a three year tax would only give you two years of data given the budget cycle.

Council discussed various exemptions, including red fuel, and Councilor Pieper said he was not looking to be too picky or trying to exempt commercial fuel. He said you can't make it 100% fair. He suggested three years at four cents and no exemptions.

Councilor McClain said this tax would replace the SSRF fund and when this tax went away, the SSRF would come back. Three years, he said, should be enough.

City Manager said there was nothing in the resolution to automatically reenact the SSRF.

Councilor Hodges said the small business guy is going to pay 10 times what a resident pays and Pieper said having commercial vehicles pay the tax sounded equitable to him considering that a commercial logging truck might make 10 trips a day down the same road his wife might make in her Tahoe, once or twice a day.

Councilor McClain said they might be generating a lot more tax through the commercial fuel pumps than they realized and Mayor Hedenskog pointed out that South Coast Lumber had their own fuel tanks, outside of the City limits.

Following discussion regarding various fuel exemptions, Howard suggested that they use the same exemptions as the state and Milliman suggested that red fuel could be exempted.

Councilor Hamilton suggested they work on the a few points and bring them back to the next meeting. He said he also thought it might be best to move it to the following year due to the other tax measures coming up this year. He proposed that Council come up with three ideas to consider at the next meeting.

Councilor Pieper moved, a second followed and the motion passed, three votes to two, with Mayor Hedenskog and Councilors Pieper and McClain voting "Yes," and Councilors Hodges and Hamilton voting "No," to adopt Resolution 14-R-1044 [directing the City Attorney to draft a ballot measure for the May 2014 election, enacting a fuel tax], changing the rate to four cents for a duration of three years, exempting, [under] "J," sale of fuel for aircraft, red fuel and fuels exempted under state law, and capping it at \$300,000.

Staff Reports

Authorization to execute parking area agreement with C & K Market.

City Manager Milliman provided the staff report.

Councilor Hodges moved, a second followed and Council voted unanimously to authorize the City Manager to execute the Parking Area Agreement with C&K Market.

Consent Calendar

1. Approve Council minutes for June 23, 2014.
2. Accept Planning Commission minutes for May 6 and June 3, 2014.
3. Accept June 2014 Vouchers in the amount of \$289,846.61.
4. Authorize staff to send a letter requesting a Coastal Management Grant from the Department of Land Conservation and Development and the City Manager to sign agreement.

Councilor Pieper moved, a second followed and Council voted unanimously to approve the Consent Calendar as written.

Adjournment

Mayor Hedenskog moved, a second followed and Council voted unanimously by voice vote to adjourn at 8:05 PM.

Respectfully submitted:



Ron Hedenskog, Mayor

ATTESTED:
this 30th day of July 2014:



Joyce Heffington, City Recorder