

# City of Brookings CITY COUNCIL MEETING MINUTES

City Hall Council Chambers, 898 Elk Drive, Brookings, OR 97415

Monday, August 26, 2013

## Call to Order

Mayor Hedenskog called the meeting to order at 7:00 PM.

## Roll Call

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

Staff Present: City Manager Gary Milliman, Public Works & Development Director Loree Pryce, City Attorney Martha Rice and City Recorder Joyce Heffington.

Others Present: Approximately 10 others. Pilot Reporter Jane Stebbins arrived at 7:37 PM.

## Resolutions

*Resolution reducing interest rate and applying interest rate credit for Curry Health Network (CHN) System Development Charges (SDC).*

City Manager Milliman gave the staff report, adding that he and Mayor Hedenskog had met with CHN before the meeting and were now requesting that an additional clause be added to the resolution setting conditions on financing to require CHN to retain consulting services and pursue a Certificate of Need (CON) for a hospital and emergency room in Brookings.

Mayor Hedenskog said the roll back in SDC interest would cover the cost of the study.

Councilor Hamilton asked about the timeline for getting a hospital in Brookings and how long it would be after the CON was approved before the conversion could be completed.

Andrew Bair, CHN Chief Executive Officer, said the study would take 9 to 12 months and CHN would have to figure out how to fund the expansion before moving forward.

Councilor McClain said he wanted to sit down with CHN and tie the various steps to specific incentives. He said the study might find the project is not feasible, in which case the financial relief would have gained nothing. He said he didn't want to give anything until he understood the process.

Bair said the community needed a hospital, just for the emergency room alone, and he thought the study would bear out that need.

John Spicer, CHN Board member, said CHN was committing \$100,000 to the project without any guarantee, but the study had to be done.

Councilor Pieper said he had always supported lowering the interest rate and clarified that this would be relief of interest, not SDCs.

Mayor Hedenskog said the 9% interest rate was too high. He said CHN had built the clinic in good faith and was moving forward and he was willing to show good faith and reduce the rate.

Councilor Hodges said the new building and old building offered the same services and he supported the stepped approach. He then asked, since the City would be paying for the CON, who would own it.

Ken Landau, CHN's Financial Officer, said CHN would own the CON, and that CHN was not asking for SDCs to be waived but rather for the City to not make a profit off of the Clinic.

Councilor Hodges said it was risky for the City to pay for the CON and Spicer said CHN was paying for the CON and taking the risk.

Councilor Hamilton asked if Brookings was in the district and if its residents would have to pay to rebuild the Gold Beach facility and Spicer said Brookings was not in the district and City residents would not have to pay for the bond.

Bair said it was CHN's desire to pursue the CON in Brookings and the bond in the district, but CHN needed a different level of cooperation to make it happen. He said people in the north feared the bond would be spent in Brookings, and if the City could do this one thing, it would make it easier to get the bond passed in the north.

Mayor Hedenskog asked if the clinic was making a profit and Landau said they were in the black in 2012, but cautioned this was not profit but rather a margin, which would be used to pay for other needs.

Councilor Hodges asked if the conversion could occur simultaneously with the CON and Bair said the CON had to be completed first.

McClain asked if more money would have to be spent on the hospital conversion after the CON was approved and Bair said they would have to expand to space for the needed beds.

McClain said he was "100% convinced" the project needed to happen but thought there would be "huge hurdles." He said he was against giving too much, too soon and suggested reducing the interest rate to 4½%, which would be the rate the City might end up having to pay to borrow funds in the future.

Councilor Hodges said he didn't see CHN walking away from its investment. CHN needed to move ahead, he added, and it was time to get on board.

Councilor Pieper said, even if the clinic stayed a clinic for 50 years, the rate should still be lowered. Higher rates, he said, are associated with higher risks and he didn't think there was a risk.

**Councilor Pieper moved, a second followed and Council voted unanimously to adopt Resolution 13-R-1021, reducing the interest rate and applying an interest rate credit for Curry Health Network System Development Charges to include a clause that said adjustment in SDC financing terms is conditional upon CHN retaining consultant services and pursuing a Certificate of Need for a hospital and emergency room in Brookings.**

### **Staff Reports**

*Letter/draft opinion column supporting House Resolution 1526.*

City Manager Milliman provided the staff report.

Susan Brown, County Commissioner, suggested the letter be sent to both state and federal representatives.

Mayor Hedenskog said having to compromise with environmentalists to reopen lands for logging bothered him because the original agreement was to keep 2.4 million acres open for "perpetual sustained yield," and this bill would set about one half of that land aside to never be logged. He said the letter Council sends should support opening up more area for logging, but not necessarily this bill.

Councilor Hamilton said he supported anything that gives as much back as possible and having the environmentalists pay something back to repay what's been lost.

Councilor Pieper said a few things had changed since 1932 and at some point you have to cut your losses, but he would support the Mayor writing a letter.

Milliman said that they might want to clarify the amount of land being set aside before crafting the letter.

Brown said the House would be voting on the matter the first week in September and this bill might be the County's best shot to get logging going again.

Mayor Hedenskog said he did like that some forested areas in the bill were being set aside exclusively for sustained yields.

**Councilor Hodges moved, a second followed and Council voted unanimously to authorize Mayor Hedenskog to draft a letter of support or opinion column [for HB 1526] on behalf of the City Council after further consultation with the cooperative bill and other local legislatures.**

### **Ordinances**

*Ordinances 13-O-713 and 13-O-714, revising the Brookings Municipal Code (BMC), to clearly define the abatement process for failing and/or improperly maintaining private storm drain facilities.*

Don Mitchell, 423 Buena Vista Loop, said storm drainage was critical and that Buena Vista Loop residents were concerned about the \$600,000 estimate to stabilize the bluff. The new ordinance, he said, indemnifies the City, but who protects the citizens? He said an "act of God" doesn't help them and the City was afraid to talk to the residents in case of a lawsuit. Part of the problem, Mitchell said, was not having a good dialogue with the City. Mitchell asked for assurances from the City that it would put in an overflow mechanism. He also said he was concerned that the City takes no responsibility when things go wrong.

Mayor Hedenskog said the Council was being kept fully apprised of the situation and Mitchell said this had not been communicated to him.

City Manager Milliman said the ordinance only deals with private drainage on private property and does not indemnify the City for any storm drain lines the City maintains. The owners, he said, had been referred to the City's insurance company or legal counsel and that, in staff's opinion, is where these matters should reside.

Mitchell said if the residents stabilize the bluff there had to be an escape route for the water to get to the ocean across their private property without damaging the bluff. He said there had to be cooperation with the City to create this escape route.

David Smith, 429 Buena Vista Loop, said he had received an abatement notice and didn't know what he was supposed to do. The City had brought water down to his property and the City's drain needed to be opened so he could get water to his drain. Milliman suggested that Smith address his questions to the appropriate staff person, as directed in the notice.

Director Pryce gave the staff report and added that the ordinance was mainly for the purposes of clarification and for cleaning up the BMC. She also said the indemnification language in the Code was not being changed.

Mayor Hedenskog asked why the City was using 25 years for storm line construction and Pryce said that was the reasonable standard of care determined by the State. The November storm event had been classed as a 45 year event.

Councilor Hodges asked if there were any private drains that would affect the City's system and Pryce explained that there were a number of private drains that flowed into the City's system. As an example, she referred to the McDonalds/Oil Can Henry situation, where the drain is privately owned on McDonald's property and the pipe on Oil Can Henry's property had been given to the City as an easement.

**Councilor Pieper moved, a second followed and Council voted unanimously to do a first reading of Ordinance 13-O-713 by title only.**

Mayor Hedenskog read the title.

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Mayor Hedenskog read the title.

**Councilor Pieper moved, a second followed and Council voted unanimously to adopt Ordinance 13-O-713, [deleting Chapter 8.10 Watercourses, Drainage Channel Maintenance, Storm Drain Protection, in its entirety, and amending Sections 8.15.010, 8.15.040 and 8.15.067, of Chapter 8, Nuisances, of the BMC].**

**Councilor Pieper moved, a second followed and Council voted unanimously to do a first reading of Ordinance 13-O-714 by title only.**

Mayor Hedenskog read the title.

**Councilor Pieper moved, a second followed and Council voted unanimously to do a second reading of Ordinance 13-O-714 by title only.**

Mayor Hedenskog read the title.

**Councilor Pieper moved, a second followed and Council voted unanimously to adopt Ordinance 13-O-714 [amending Chapter 13.35 Storm Water of the BMC].**

*Ordinance 13-O-715, granting Frontier Communications Northwest, Inc., a franchise for telephone service purposes within the City of Brookings.*

City Manager Milliman provided the staff report.

Councilor Hamilton asked why the new agreement was for 10 years as opposed to 20 and Milliman said the City preferred 10 years.

**Councilor Hodges moved, a second followed and Council voted unanimously to do a first reading of Ordinance 13-O-715 by title only.**

Mayor Hedenskog read the title.

**Councilor Hodges moved, a second followed and Council voted unanimously to do a second reading of Ordinance 13-O-715 by title only.**

Mayor Hedenskog read the title.

**Councilor Pieper moved, a second followed and Council voted unanimously to adopt Ordinance 13-O-715, [granting Frontier Communications Northwest, Inc., a franchise, for all telephone service purposes within the City of Brookings].**

**Consent Calendar**

1. Approve Council minutes for August 12, 2013.
2. Approve allocation of \$3,000 to the City Manager’s training and travel budget in lieu of a salary increase scheduled for July 1, 2013.
3. Authorize the Mayor to execute an Agreement for Services of Municipal Judge Pro Tem with Gary Milliman.
4. Receive July, 2013 monthly financial report.

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

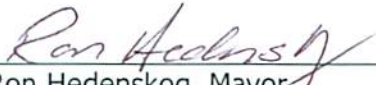
**Remarks from Mayor and Councilors**

Councilor Hamilton remarked that he had witnessed a high speed pursuit from the Elks Lodge and heard comments about what a good job the City’s police force was doing. He said he was very proud to live in a city with such a professional police force.

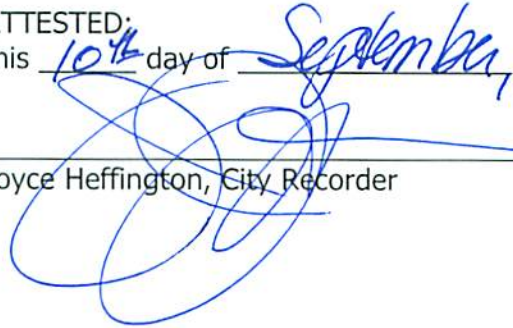
**Adjournment**

Mayor Hedenskog moved, a second followed and Council voted unanimously to adjourn by voice vote at 8:44 PM.

Respectfully submitted:

  
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Ron Hedenskog, Mayor

ATTESTED:  
this 10<sup>th</sup> day of September, 2013:

  
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Joyce Heffington, City Recorder