



**CITY COUNCIL SPECIAL SESSION MINUTES ~ APPROVED
MARCH 08, 2011 AT 5:00 PM**

City Hall ~ 82877 Spruce St., Westlake, OR

These proceedings of the Dunes City Council were recorded on tape 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 Eric Hauptman called the Special Session of the Dunes City Council to order at 5:04 pm.

2. ROLL CALL

Roll Call was taken by Fred Hilden, City Recorder.

Present: Mayor Eric Hauptman, Council President Rebecca Ruede, Councilor Richard Anderson, Councilor Richard Koehler, Councilor Jamie Mills, Councilor Troy Sathe, and Councilor Duke Wells.

Absent: None.

Also Present: City Recorder Fred Hilden, City Planner Lisa Ekelund, and 18 individuals.

3. PLEDGE OF ALLEGIANCE

All who were present stood for the Pledge of Allegiance.

4. APPROVAL OF THE AGENDA

Councilor Sathe made the motion to approve the Agenda as presented. The motion was seconded by Councilor Mills. The motion passed by unanimous vote.

5. CONSENT AGENDA - None

6. ANNOUNCEMENTS / CORRESPONDENCE - None

7. OLD BUSINESS - None

8. CITIZEN INPUT ON ITEMS OTHER THAN BUDGET (moved ahead of New Business)

Wade Hawley ~ 5399 Buckskin Bob Dr. ~ Dunes City

Mr. Hawley spoke in regards to the Septic Ordinance. Mr. Hawley asked if the ordinance is rescinded, what would happen with those who have followed the rules and become compliant with the ordinance.

Councilor Wells said the Ordinance is not going to be rescinded but rather it is going to be modified.

Mr. Hawley said he wonders how many of those who have paid the \$250 for inspection would have done that if the ordinance were to say it was “optional.” Mr. Hawley questioned if the lowering of the water fees would compensate to make this even.

Councilor Sathe responded to Mr. Hawley stating that the water rights fee is a separate issue.

Darlene Beckman ~ 82150 Booth Island ~ Dunes City

Mrs. Beckman asked if the city could provide a report on how many septic systems are in the City, how many have been inspected and how many have been repaired due to those required inspections to find out if the program is working. Mrs. Beckman said almost all of this is supposed to be taken care of in Lane County and Dunes City is not a professional in the septic business. Mrs. Beckman asked why a private agency should re-inspect when the County has already done this?

Mary Jo Leach ~ 84284 Alder Drive ~ Dunes City

Mrs. Leach spoke in regards to the septic database. Mrs. Leach said DEQ is inspecting and they are being monitored. Mrs. Leach said as a result of all of the people she has contacted, the City could make some changes. Mrs. Leach said she is going to institute a series of soils and water tests about her neighbor. Mrs. Leach said she paid into the water money, if it is going to go anywhere; it needs to be refunded to the citizens who paid it.

9. NEW BUSINESS

A. Community Input to Dunes City 2011-2012 Budget

Darlene Beckman ~ 82150 Booth Island ~ Dunes City

Mrs. Beckman said someone brought up in the last couple of days in our accounts, we may be missing an account for a CCI/CAC process and should it come out of the general fund. Mrs. Beckman said to go back and take a look at how to fairly proportion the salaries and benefits to the appropriate accounts. Mrs. Beckman said there is an extreme from the Motel Tax and the General Budget. Mrs. Beckman said regarding accounting and bookkeeping, they have a system that is working for the City and perhaps QuickBooks Pro could help the City Recorder to simplify his work.

Mayor Hauptman stated that Del Riesenhuber has assisted with the accounting and Del believes that QuickBooks Pro would work well for the City’s needs.

Judy Martin said she would like to pass and listen to what everyone else has to say.

Lee Riechel ~ 83541 Jensen Lane ~ Dunes City

Mr. Riechel said he realizes there is a need and a big movement to increase efficiency and get the budget in better control. Mr. Riechel said regarding planning, he would like the Council to not increase the load on someone who is already productive to increase work to reduce costs. Mr. Riechel said in the many years he has been here he has seen many Planning Secretaries come and go. They make so little money here that they are trained and then they find a new job. Mr. Riechel said the current Planning Secretary or more appropriately Planning Director is proficient with her job and her workload is excessive to her planning job. Keep in mind that if there is reduction in staff that it does not wind up on top of Lisa because her plate is full right now.

Bob Read ~ 5020 Ford Way ~ Dunes City

Mr. Read said when they begin looking at the budget; they need to focus on payroll and legal expenses. The roads should be held out as a separate entity. We have a little less than \$140,000 so the City still needs to tighten its belt up quite a bit. One issue is payroll. It might be well for the council to consider a package that is presented to the budget committee. Look at payroll allocation and then the method of distribution. An example is the Motel Fund; we have budgeted a little over \$12k for motel but for what? To me that figure seems very high. Look at how much you are paying people and review what they are doing. The other thing they need to do is to get some help on how you do the figures that are given to you for the P&L. Regarding this issue, it would be good to speak with City of Florence Financial Administrator David Armstrong. There is also a woman named Valerie who works for the fire district. When you get to the right hand column with the P&L in the budget, it would give you a percentage. He would like to close saying he thinks Fred is doing "a hell of a job for you."

Paul Floto ~ 83236 Clear Lake Road ~ Dunes City

Dunes City has not had an adequate budget process for years. The city has not been following the law. For 2 years, we have budgeted absurd amounts of expense and it is not realistic.

Mary Jo Leach ~ 84284 Alder Drive ~ Dunes City

In all of her conversations with speaking with the water people, the septic has been overall a success but it has been the failure of the city to not be able to retain staff. The city has a huge mess they have to figure everything out and start it all over again. You need to try to prevent losing staff. She would not want to see individuals in the city become responsible for misallocation. This is a community that is self-run by volunteers.

Jerry Curran ~ 5600 Shady Lane ~ Dunes City

Mr. Curran said everybody everyday is affected by the budget. It doesn't matter but if you have more going out than coming in you have a problem. There are certain funds that are referenced where the State of Oregon says that you can only spend the money on certain things particularly the Road Fund. If you put certain money away for a particular thing, the State looks unkindly if you allocate it to someone else. It is called fraud. If you start scrambling funds, you can go to jail.

Councilor Mills said she has been bouncing around an idea to suggest that the office staff track its time so that they can see how that allocation plays out. Does Mr. Curran think this is a good idea?

Mr. Curran said this is a good start. He would like to see staff who does Road Commission stuff, that work should be logged.

Dave Persons ~ 4982 Ford Way ~ Dunes City

Mr. Persons said he would like to give a little history of the road commission he was a member from 2000-2008 under the order of Bob Petersdorf. Bob was our leader and we respected what he had to say. He always virtually lived the Road Commission and City Council for all of his years of service. We would go over the budget. Bob said one thing is for sure that every penny that they are receiving as a gift for the maintenance for the road system and its operation has to be properly accounted for and he is not going to stand up and report every penny allotted to us and funding to be spent in any involvement, salaries, expenses, materials, everything and Bob set forth and they made motions and approved every penny of Road Commission money. They leaned on Bob heavily so they felt comfortable and they were a close team. They had glory days when they had more money than they could spend and then they saw the crash. Mr. Persons felt good about it for the 8 years he was there and it was a wonderful experience. He faded away because he cannot hear as well any more. He just wanted to relate that funding has been reduced Bob had the big concern was if we do not manage our money properly and account for it, the City would be cut off. There have been new employees and please account for funding allocated for Dunes City roads that they are carefully monitored so they are not slushed off into some other funding.

Councilor Sathe asked if the staff would provide a monthly report on how many staff hours each of the employees spent doing road work and the road inspector could provide detail.

Mr. Persons said hourly times were accounted for every month, it was boring to hear it over and over again but it was good to have that answer. They approved the expenditures monthly.

Judy Martin ~ 83750 Rio Drive ~ Dunes City

Mrs. Martin concurs with everything said so far. We keep expanding the things the City is going to be responsible for. We already have a beaurocracy that takes care of septic and Dunes City getting involved is another form of beaurocracy. Many people have mentioned that the salaries allocated to the various funds are incorrect and she sees this as well. The only way we can get away from this is to be careful about additional duties the City takes on. We need to become more efficient so we are spending less money so we do not have to allocate as much money to these funds. We need to bring back balance.

Rob Quandt ~ 83573 Erhart Road ~ Dunes City

Mr. Quandt commented that one of the things he noticed instantly is the main thing missing is institutional memory, which goes into what Lee Riechel was speaking about.. This is a small government with a small staff and because of this, it is vulnerable to losing a few people and with that goes knowledge. This applies to Council as well as staff. One of the things he tried to do when he was on Council is to improve the institutional memory. They need to be able to be passed down. The institutional memory is held in its staff so when it comes to budget time it is his request that the council improves the institutional memory of Dunes City. When you are thinking about cutting staff please keep in mind that this effects the institutional memory and long term of Dunes City because each time staff leaves we start over again. Dunes City has begun over again many times. Kudos to Lee Riechel with his comments; he agrees completely.

Councilor Mills said she would hope they have an executive session so they could speak with staff to hear their ideas and review their jobs. Councilor Mills asked staff what they think about tracking their time.

Mayor Hauptman said for a while they did staff reports and every month the staff turned in a report of how they spent their time. They spent so much time doing the reports but the one thing he found with these reports was because of the staff size, there are so many interruptions in one day. One of the constant things he saw is the staff deals a lot with neighbor vs. neighbor. These guys are always busy but much of the time is dealing with complaints. Another thing to keep in mind is the auditors as far as allocations one of the problems because there is a small staff, the auditor gives us parameters for the allocation and if you go beyond the accepted norm there is a flag in the audit. Additionally, every auditor he has dealt with has said that the staff is almost too small to have proper checks and balances on what needs to be done. The City is about providing services to the public.

Councilor Mills gave an example of when she allocated her time for an attorney and she discovered she spent a lot of time doing things that were not work related. It is a discovery process and this would be eye opening to have them track their time.

Councilor Sathe agrees with Councilor Mills; he thinks it is really good to have the City run like a business. With his company, they have a job sheet and each day they write down what they are working on; they clock in when the day begins and they clock out when they are done for the day.

Mayor Hauptman responded that Lisa spends a lot of time on planning but she also does administration, roads, customer service, etc. The biggest problem is the disruption. Regarding septic it has never really been enforced properly from the get go and staff is finally organizing it. The intention is there and he invited Councilors to help out.

The Council continued discussion on staff accountability.

Paul Floto spoke from the audience stating that if the office hours were reduced, staff would not be interrupted so much. The permits are down so it would not be a huge inconvenience.

Councilor Ruede said she is pleased to see the citizens concerns over the budget and she appreciates all of their input. Transparency in the City government is what we all want.

Councilor Mills said the staff spends a lot of time with the minutes. They need to find a better way.

Rob Quandt referred to one simple program called "Meeting Minutes," a 50-dollar program has a dashboard that allows you to produce the agenda the meeting notes and the action items. "Meeting Sense" has features the city would love but it is a couple of grand each year.

The Mayor has had difficulty with this. Identifying who is speaking with some of these packages does not recognize voices as well.

Fred Hilden thanked everyone for being in attendance tonight. Regarding Councilor Mills request, we need to do something. At one point we were literally tracking every phone call and every task every day. Also at that time, literally hours of the day would be wasted in discord, listening to somebody complain about one thing or another; he does not mean citizens, he means prior staff. He and Lisa said they have had long discussions of their expectations of productivity. If you were getting less than 85%, you would be looking to fix it. Out of an 8-hour day, it leaves 62 minutes in a day for things like meeting with supervisor or coffee breaks. They are productivity distractions. We need to figure out how to get our hands around this. .

Councilor Anderson asked Fred if they did close the window, one more day when staff was not interrupted would that save time.

Fred said when the Council decided to open city hall from 10-2, 3 days a week to 10-4, 4 days a week, we doubled the number of open hours over night and it did have a big impact on productivity. He is an advocate of being open but it may be a way to come up with better productivity.

Councilor Mills asked if it would be possible to rotate staff so there are no interruption times.

Fred said we have been doing this.

Councilor Wells said the economy is pretty soft right now and there is a common denominator that we know the budget is not perfect and with meetings like this, we will get there.

Councilor Anderson suggested making appointments instead of dropping in.

Fred said they just had a staff meeting last week and this was the topic of conversation.

Councilor Sathe said he likes Jamie's idea of getting a digital recorder to help Lisa and Selena with the minutes and he would like to see this move forward.

Fred commented that we are actually conducting an experiment with a digital audio of the minutes tonight.

Councilor Wells he would like input from the citizens if they think this is a good format and the citizens said yes.

Judy Martin asked if they have considered on line permits.

Councilor Ruede said yes they have considered the cost and infrastructure and time in getting it organized. There have been a number of citizens who say the audio is very poor on television and she sees a transition to fix this.

Fred said he has the objective to get the DVDs with improved sound.

Councilor Mills said regarding permitting, she has been in contact with Kate who is in charge of this with the state and they are waiting to schedule a teleconference. Lisa inquired with The Building Dept and Charlcie said she does not see it working with Dunes City the way that it is set up but Councilor Mills would still like to talk to Kate about setting it up.

Councilor Sathe said e-permitting works well for business people. They pay with a credit card it is a quick process and staff does not have to spend any time on it.

Councilor Mills said the software is free but the ability to take the credit card is not free.

Mayor Hauptman directed a question to Lisa regarding the time spent on processing of permits, staff reporting and tracking of time constraints.

Lisa responded that obtaining permits is the easy part but tracking takes time and scheduling of inspections adds to the time constraints.

George Burke said he has been here for 6-7 years and Fred and Lisa are doing the best job since he has been around. They both work hard at it and you have to do whatever you can to support them. He said he has been an advocate for staff and you need to keep these people here to keep the memory and to keep this place going. We wasted more money in this time in training staff. Listen to what staff needs. He supports them.

10. UNSCHEDULED ITEMS NOT LISTED ON THE AGENDA

11. ADJOURNMENT

There being no further business to come before the City Council, Councilor Mills made the motion to adjourn the meeting. Councilor Wells seconded the motion. The motion passed by unanimous vote.

Mayor Hauptman adjourned the meeting of the Dunes City Council Special Session at 6:29 pm.

APPROVED BY THE DUNES CITY COUNCIL ON THE 14th DAY OF APRIL 2011.

[Signed copy available at City Hall]

Rebecca Ruede, Mayor

ATTEST:

[Signed copy available at City Hall]

Fred Hilden, City Recorder